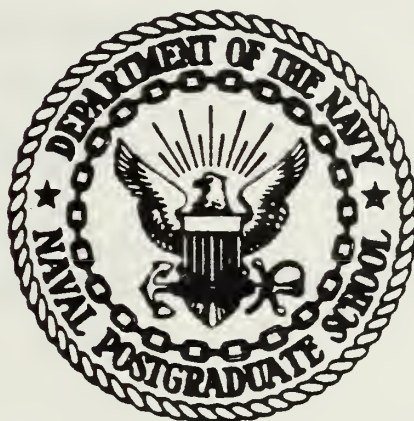


IMPLICATIONS OF THE
CIVIL SERVICE REFORM ACT OF 1978
ON PERFORMANCE EVALUATION IN NAVY
FIELD LEVEL ACTIVITY
COMPTROLLER DEPARTMENTS

Jan Marie Clausen

NAVAL POSTGRADUATE SCHOOL

Monterey, California



THESIS

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by

Jan Marie Clausen

March 1981

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R. A. Bobulinski

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by

Jan Marie Clausen
Lieutenant, United States Navy
B.S., University of Florida, 1975

Submitted in partial fulfillment of the
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March 1981

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I. INTRODUCTION

A. GENERAL

A survey of literature on management practices for evaluating productivity and efficiency, conducted by this author, indicates that formal appraisal of personnel performance has become a traditional way of life in many areas of industry and business. Realization that the achievement of organizational goals is dependent on human resources has made evaluation of performance, usually more tolerated than accepted, a necessary evil. Studies indicate that the practice of formal evaluation of at least managerial personnel is almost universal among large firms [Ref. 1].

Evaluations play an important and integral role in organization management. They provide the information needed by managers to base decisions on pay and promotion, they are used in making future plans concerning operations and staffing requirements, and they inform management of current problems. Performance evaluations can be used as a basis for rewards, providing motivation to employees and resulting in increased productivity for the organization [Ref. 2].

Although the need for valid and accurate evaluations exists [Ref. 3], it may not always be recognized by supervisors. In many situations the embarrassment of criticizing

a subordinate leads to false evaluations, and the refusal or inability to spend time on the procedure tends to increase inaccuracies [Ref. 4]. An argument, offered by managers in response to the general attitude of some companies toward performance evaluation, is for management to either abandon the half-hearted attempt or to put forth the required effort to promote valid evaluations [Ref. 5]. Impetus has been added to this argument by Federal court rulings on cases on employment opportunities and conditions of employment under Title VII of the Civil Rights Act of 1964 and regulations of the Equal Employment Opportunity Commission and the Office of Federal Contract Compliance [Ref. 6].

Performance ratings for civilian employees of the Federal government date back to 1789 and have been required by law since the passage of the Performance Rating Act of 1959 [Ref. 7]. According to a 1979 survey of Federal employees conducted by the Office of Personnel Management (OPM), formerly the Civil Service Commission, the old rating system is not regarded as a valid measure of performance [Ref. 8]. Only 39% of the workforce surveyed stated that pay and promotion depend on performance. It would appear that many employees and supervisors question the purpose of the system [Ref. 9]. The performance ratings being questioned are assigned by a supervisor, based on his or her subjective opinion.

The Civil Service Reform Act of 1978 (CSRA), an attempt by lawmakers to introduce reform into the public sector, mandates a major revision of the current Federal government performance appraisal system to be implemented by October of 1981. The new system, which will require a more objective evaluation of performance, is part of the reform which will attempt to decentralize and delegate personnel management to individual agencies and to introduce efficiency, effectiveness and productivity into the Federal government. The onus is on each individual agency to develop and implement a system of performance evaluation that will best suit its needs and achieve the desired goals of the reform act [Ref. 10].

Within the Department of the Navy (DON), the attempt to develop and implement an appraisal system that will provide a uniform basis for performance measurement will affect Navy field activities in varying degrees, depending on the number, type and level of positions filled by civilian employees. For the military manager who is required to evaluate several types of subordinate employees: other military officers, enlisted personnel and civil service (General Schedule and Federal Wage System), this author contends that specific standardized guidelines and directives will be required in order to make the system work. Lack of standardization, from using different evaluation forms or procedures at different activities, in this author's opinion, could cause

the difference in performance reports for comparative positions to be the result of the evaluation system and not due to actual performance.

Already some federal agencies have attempted to implement the required performance appraisal systems based on different methods of examining and evaluating job performance [Refs. 11, 12]. One approach to performance appraisal that appears to be frequently used by military organizations is the objective setting or Management by Objectives (MBO) technique [Ref. 13]. Because of the linkage between organization goals and individual performance in MBO systems it is particularly applicable to appraisal of managerial performance. It is an approach that is frequently used in the private sector for the evaluation of executive employees [Ref. 14].

B. PROBLEMS

The higher the job is in the organization the more difficult it becomes to define job elements and establish objectives [Ref. 15]. From the literature it appears that in the case of non-supervisory positions, which generally encompass routine tasks, objective evaluations present no major difficulty to either the public or private sectors. The output is usually measurable and the quality of the work is apparent. However, when faced with the problem of establishing goals for supervisory positions and setting meaningful performance standards, the task becomes somewhat more

difficult. The appraisal of performance has a tendency to become more subjective than objective. In commercial businesses, the profit motive lends itself to assessing achievement, but, in government agencies the results of performance are less tangible and achievement is more difficult to measure.

Among the major problems faced by government agencies in complying with the CSRA is the development of evaluation systems. The systems must have established critical job elements and appropriate performance standards to ensure that required objectives are met by supervisory personnel in positions that are found in numerous units within the organization. What are the critical elements of a position that are common to all units? How can these elements be used to standardize performance ratings and still retain the level of flexibility required to promote the goals of the CSRA? The literature indicates that these are the questions presently facing agencies and subagencies of the Federal government.

As the responsible office for financial management policy within DON, the Comptroller of the Navy (NAVCOMPT), is also the responsible agency for developing and issuing standard functional guidelines for use in individual comptroller organizations at field commands [Ref. 16]. As such, NAVCOMPT is concerned with the requirements, established by the CSRA,

for revision of the existing performance evaluation system for civilian financial management personnel [Ref. 17]. The duties and responsibilities for positions within each division and level of the comptroller organization are well defined within the NAVCOMPT Manual [Ref. 18]. In order to provide the standardization required to ensure evaluations are based on the same criteria for comparable positions, this thesis attempts to show how to determine the critical elements of specific positions, as defined by the NAVCOMPT Manual, that could be utilized Navy-wide. It also attempts to show how performance standards for those elements can be decided upon to demonstrate how each field activity can evaluate personnel within these criteria.

C. OBJECTIVES AND SCOPE

The CSRA places a major emphasis on decentralized control of personnel management. It provides flexibility to agencies in setting standards for their employees for outstanding performance. However, the performance appraisal systems established must provide information useful in such matters as competitive promotions and training [Ref. 19]. The intent of this thesis is to demonstrate how critical elements and performance standards can be established in order to provide an objective basis for performance evaluation of civilian personnel, specifically supervisory personnel.

In order to apply the techniques discussed in a reasonably realistic situation, the scope of this thesis will be limited to three specific positions within the comptroller department of the typical Navy field activity. The similarity of positions in the comptroller department between various organizations is typical of many jobs within the Federal government structure. A standard evaluation for each similar position should be developed in order to ensure that employees holding these positions remain on a competitive basis. Yet care must be taken in order to allow the objectives to be decided upon by the local supervisor and subordinate. This thesis will attempt to demonstrate how standardized evaluations that allow for flexibility at the field activity can be developed.

D. METHODOLOGY OF RESEARCH

This thesis was basically prepared in three stages. The first stage consisted of the review of the requirements of the CSRA and its impact on performance evaluation in the Federal government. A literature search of performance appraisal methods was conducted to determine which methods were viable within the context of the CSRA. Various methods of evaluating personnel utilizing these methods were then reviewed and discussed herein. Along with each method discussed the author includes an informal comparison between the method and the criteria for performance appraisal required by the CSRA.

In the second stage, the author attempted to demonstrate how the basis for determining standardized criteria for evaluation can be developed for Navy-wide application. This was accomplished by the collection and survey of information regarding the three positions to be studied in this thesis. The author obtained copies of the classification standards for the occupational and job series for each position. Positions descriptions (PD's) for each of the positions were then obtained from 10 Navy field activities in order to form a non-statistical sample from which critical job elements could eventually be developed. Interviews were conducted with the comptroller department and/or Civilian Personnel Office at all of the activities surveyed in order to determine their present methods of performance evaluation.

The third stage attempted to show how local activities are to establish their own objectives for goal accomplishment within the requirements of the CSRA. The author examines the content of the PD's, classification standards and NAVCOMPT Manual requirements described in the previous stage. Target areas in which performance is critical were determined based on the above mentioned examination. From these "critical areas" critical elements, relevant to each position, were derived. The author then demonstrated how performance standards could be derived from critical elements. Conclusions were then derived based on the analysis described above.

E. THESIS ORGANIZATION

Chapter I provides a general insight into performance evaluation systems as an integral part of organization management. It emphasizes the need for the implementation of effective performance measures within the agencies of the Federal government for civilian employees.

Chapter II describes the CSRA of 1978 and its requirements for performance evaluations. Chapter III then examines methods of performance appraisal and compares major characteristics of each system to the CSRA criteria for performance appraisals.

In Chapter IV the Navy comptroller organizational structure at the field level activity is described. Specific middle management positions are used to illustrate how critical job elements can be established. The chapter discusses the use of the requirements and concepts discussed in Chapters II and III, to determine critical job elements. The results of the analysis, along with conclusions and recommendations for establishing criteria for any position covered by the CSRA will then be presented in Chapter V.

II. THE CIVIL SERVICE REFORM ACT (CSRA) OF 1978

A. GENERAL

The CSRA is an all-encompassing reform which affects virtually every area of the civil service. This chapter describes the major aspects of the Act in general terms and then focuses on the performance appraisal requirements in detail. The author feels that an overall description of the CSRA is necessary to demonstrate the emphasis that the Act places on evaluating employee performance. According to the many authorities referenced in this thesis, the success of the CSRA is dependent on the development and maintenance of the appraisals required, and the acceptance of the new appraisal system by civil service employees.

On October 13, 1978, the CSRA was signed into law by President Carter. The CSRA is thought to be the first comprehensive reform of the Civil Service regulations which originated under the Pendelton Act in 1883 and replaced the politically oriented "spoils" system [Ref. 20]. The former chairman of the United States (U.S.) Civil Service Commission (CSC) and now present director of the Office of Personnel Management (OPM), Alan K. Campbell, states that the law, which affects virtually all civil service employees, is designed to improve government efficiency and to balance management authority with employee protections [Ref. 21].

According to Campbell, the Civil Service reorganization addressed three basic problems [Ref. 22]:

1. Increasing management flexibility and removing obstacles to effective management.
2. Addressing and trying to correct a management view that the employee appeal process is biased toward employees and an employee view that the process is management dominated.
3. Making merit system abuses more difficult.

Another overall target for correction was to streamline the cumbersome system which was so overburdened with regulations that it was practically impossible to take action on unfavorable employee performance [Ref. 23].

Along with the CSRA, Congress approved two additional reform measures in an attempt to effectively reorganize government services. Reorganization Plan No. 1 was implemented in 1978, and it transferred the leadership and enforcement of provisions of the Civil Rights Act affecting the Federal government from CSC to the Equal Employment Opportunity Commission [Ref. 24].

Reorganization Plan No. 2, effective January 1979 as were most provisions of the CSRA, divided the functions of the CSC between two new agencies, OPM and the Merit Services Protection Board (MSPB) [Ref. 25]. The purpose for the creation of these two agencies was to end the alleged conflict between government efficiency and employee rights [Ref. 26], both of which were the responsibility of the

dual-purpose CSC. Now OPM, under Executive branch administration, carries out the personnel functions responsible for government efficiency. MSPB, an independent agency, investigates alleged personnel abuses and protects the rights of federal employees [Refs. 27, 28].

The significance of the CSRA reforms is that they encourage Federal personnel to be more efficient, effective and productive. OPM's overall emphasis, further clarified by the reform act, is on greater decentralization of personnel management responsibilities. Under the auspices of OPM, many agencies have gained greater control of their organizations and operate with more flexibility and effectiveness [Ref. 29]. MSPB acts independent of Executive branch intervention to alleviate any conflicts of interests that arise from abuse of employee rights and at the same time tries to eliminate inefficiencies inherent in the system [Ref. 30].

Based on a survey of critiques of the Act by this author, it appears that the general consensus of opinion is that most of the reforms appear to be predicated on the performance evaluation of government service employees. Development and maintenance of adequate criteria for performance evaluation is one of the key factors that will determine the success of the CSRA [Ref. 31].

B. NEW PROVISIONS OF THE CSRA

Under CSRA management decisions ranging from pay and bonus determinations to separations and demotions will be based on objective evaluations of performance related standards. Since it appears that many of the major reforms incorporate the new performance appraisal systems required, a brief description of the nine major titles of the CSRA, as described in Title 5, U.S. Code, is provided below. All material included is from the CSRA and an executive summary of the CSRA distributed by civilian personnel offices to managers [Ref. 32]. Appendix A contains a list of definitions of key words frequently used in the text of the CSRA.

1. Title I Merit System Principles

Section 101 of the CSRA states the nine basic merit principles that are to govern all personnel practices in the Federal government. The law also defines prohibited practices to prevent misuse of merit systems and the required disciplinary measures for offenders.

2. Title II Civil Service Functions; Performance Appraisals; Adverse Actions

There are three major concerns under this title. Section 203 abolishes the existing government-wide performance evaluation system. Agencies are required to set up new systems that specify performance requirements and tie personnel actions more closely to each individual employee. This section provides for removal, reduction in grade or

reassignment of any employee who continues to have unacceptable performance.

Section 204 redefines adverse actions and specific methods for reducing in rank or removing an employee for unacceptable performance. It also specifies the procedures involved in removing poor past performance evaluations from public record after a predetermined period of satisfactory performance.

Section 205 further defines the responsibilities of OPM in giving technical assistance to agencies and for reviewing performance appraisal systems developed by any agency to ensure that they meet the requirements of the CSRA. It allows OPM to delegate most personnel authorities to agencies subject to OPM approval.

3. Title III Staffing

This reform changes certain aspects of the system for examining, selecting and retaining or transferring employees. Under provisions in sections 301 through 306 of the new law, first-time managers and supervisors will be required to serve a probationary period before their appointments become final. In section 307 it provides additional benefits for disabled veterans (30% or more) and eliminates "veteran's preference" for non-disabled veterans which previously gave them an edge over civilian applicants for civil service jobs.

Section 308 sets a limit on dual pay (civilian and military) for all retired members of uniformed services. The act provides for civil service information through the U.S. Employment Service, a minority recruitment program in each agency and a temporary limit on total Executive branch employment in sections 310 and 311, respectively.

4. Title IV Senior Executive Service

Title IV establishes a Senior Executive Service (SES) which will include GS-16 through Executive Level IV or their equivalent in the Executive Branch. The SES is structured to allow greater flexibility to the Federal government in using the abilities of top executives productively.

Sections 405 through 408 base compensation and retention on individual and organizational performance, taking into account improvements in efficiency, productivity and quality of work or service. SES executives may be reassigned to other positions within their own agencies, but may not be involuntarily transferred to other agencies. Those removed from SES for inadequate performance are guaranteed either a GS-15 position (or equivalent) without loss of salary or can take early retirement.

5. Title V Merit Pay and Cash Awards

The new law provides a merit pay system for supervisors and managers of grades GS-13 through GS-15 which ties merit pay increases to individual and organizational

performance and not to length of service. Employees covered under sections 501 through 504 of this act will no longer receive automatic within grade increases.

Managers are guaranteed at least 50% of annual comparability pay increases authorized other equal white collar employees.

Agencies are required to develop plans to award merit increases, basing their decision on formal appraisal systems approved by OPM. All managers and supervisors in grades GS-13 through GS-15 will be brought into the merit system no later than October 1, 1981. No employee will suffer a salary loss in the conversion to the new system. The act also provides both agency and Presidential cash awards up to \$25,000 for suggestions and accomplishments.

6. Title VI Research, Demonstration and Other Programs

Sections 601 through 603 authorize OPM to conduct and support personnel management research and to carry out up to ten demonstration projects at any one time. It also extends the mobility programs authorized by the Intergovernmental Personnel Act to include additional types of organizations and individuals. The act authorizes all Federal agencies to adopt the Merit Systems Standards as a personnel requirement for grants to States and local governments and abolishes a variety of statutory personnel requirements related to grant-in-aid programs.

7. Title VII Labor-Management Relations

Sections 701 through 704 reforms include a number of new provisions which are to clarify the roles and responsibilities of labor organizations and which, modestly, expand the scope of collective bargaining, including covering many statutory appeals by the negotiated grievance procedure. Employees will have a right to union representation when examined by management representatives in investigations where the employee reasonably expects disciplinary action may result. The General Counsel of the Federal Labor Relations Authority may prosecute unfair labor practices.

8. Title VIII Grade and Pay Retention

New grade and pay retention provisions, contained in section 801, provide for saving grade and pay for employees who would lose their grade or salary because of a reduction in force or reclassification action. Employees placed in lower grades as a result of these type actions would retain their current grade for two years. At the end of the two-year period their grade would be reduced; they would retain their current rate of pay indefinitely, receiving one half of general increases until the pay schedule catches up.

9. Title IX Miscellaneous

This provision, containing sections 901 through 907, includes details for a study on decentralization of governmental functions, savings provisions and authorization of appropriations. Also included are statements on Presidential

remaining unaffected except by express provisions and reorganization plans. This section sets effective dates for provisions of the CSRA. Most provisions became effective in January 1979, with others effective in July 1979, and the balance becoming effective in October 1980 (veteran's preference) and October 1981 (performance appraisals).

C. PERFORMANCE APPRAISAL REQUIREMENTS

One of the major prerequisites of the CSRA, contained in Title II, section 203, is a complete revision of the performance appraisal provisions. Other major sections build upon this requirement by basing retention, pay and performance awards on the required performance appraisals.

Section 405 of Title IV requires that the results of performance appraisals provide a basis for determining retention in the SES and for the SES performance awards. Title V, section 501, requires that performance appraisals be the basis for determining merit pay adjustments. The issues discussed in Title II apply to all civilian Federal government employees and other titles are directed toward only SES and merit pay employees.

The former government-wide requirement for performance ratings, which was based on a three-category, adjective-oriented system (outstanding, satisfactory and unsatisfactory), was repealed by the CSRA. The difficulty involved with assigning an employee a rating of other than "satisfactory"

has been rescinded. The Performance Rating Act of 1950 provided that no employee shall be rated "unsatisfactory" on his or her annual performance rating without a 90-day written warning and a reasonable opportunity to demonstrate satisfactory performance [Ref. 33]. The new system attempts to shorten the time and effort required to evaluate employees without affecting the rights of the employee.

The need for reform of performance appraisals is based on the needs described as follows [Ref. 34]:

1. The old system was not based on perfunctory performance but on employee traits.
2. Performance criteria were not objective.
3. Lack of a relationship between performance and mission accomplishment.

A comparison of performance appraisal requirements under the old system and those changed by the CSRA is shown in Figure II-1 [Ref. 35].

Under the new provisions of the CSRA there is no one right system to use in evaluating performance of employees. The act permits each agency to develop a system or systems which fit its needs. As stated in the CSRA (Title II, section 203), each agency shall develop one or more performance appraisal systems which:

1. Provides for periodic appraisals of job performance of employees;
2. Encourages employee participation in establishing performance standards; and

PERFORMANCE APPRAISAL COMPARISON

ITEM	PRESENT	CSRA
Employee/agency Coverage	All employees/agencies in Executive Branch.	All employees/agencies except SES, government corporations, intelligence agencies.
Rating Plans	Agencies establish performance rating plans.	Agencies develop and use one or more appraisal systems.
Summary Adjective Ratings	Must use Outstanding, Satisfactory and Unsatisfactory.	Ratings revealed-- agencies must appraise job performance.
Evaluations	Performance requirements effective during rating period -employee informed at beginning of rating period	Specific objective performance standards established-employee informed at beginning of appraisal period.
Frequency	At least annually.	Periodically.
Review of Rating	Impartial review and/or Board of Review.	Abolished.
Uses	Extra credit in RIFs; basis for step increases for wage board.	Basis for training, reward, reassignment, promotion, retention, RIFs, termination.

Figure 11-1

3. Uses the results of performance appraisals as a basis for training, rewarding, reassigning, promoting, reducing in grade, retaining and removing employees.

According to the CSRA the new system should allow the agency to:

1. Establish performance standards which will permit the accurate evaluation of job performance on the basis of objective criteria related to the job in question for each employee or position.
2. Communicate to each employee at the beginning of each appraisal period the performance standards and the critical elements of the position held by the employee.
3. Evaluate the employee each period on the established standards.
4. Recognize and reward employees whose performance so warrants.
5. Assist employees in improving unacceptable performance.
6. Reassign, reduce in grade, or remove employees who continue to have unacceptable performance but only after an opportunity to demonstrate acceptable performance.

An additional provision of the CSRA requires an agency to remove poor performance reports from an employee's records if upon being advised of his or her unacceptable performance, the employee's performance becomes acceptable and remains acceptable for a period of one year.

D. SUMMARY

The component parts of the CSRA are based on merit principles that stress the human factor. The merit principles call for the efficient and effective use of the

Federal workforce. The CSRA attempts to embody this concern for human resources by requiring that each individual be judged in a fair and equitable manner by a performance system that is individually tailored to fit the job he or she holds.

The CSRA requires each agency to develop one or more different performance evaluation systems to meet its own specific needs. Each job is to have performance standards and critical elements formally designated. The development of the appropriate systems will be difficult, but even more difficult to overcome will be the indifference of civil servants, both subordinate and supervisory personnel, to the evaluation process [Ref. 36].

While the provisions of the law provide for separate systems for dealing with higher executive levels of civil service employees, Merit Pay and SES, the importance of evaluation of all civil service employees is stressed. There are only approximately 9,000 employees covered by the SES and another 72,000 covered under the merit pay system [Ref. 37]. The other employees, a majority of which are GS-12 and below, also require performance evaluations.

This thesis is primarily concerned with the civilian employees that hold supervisory positions in Navy field activities, generally in the range of GS-9 through GS-12 ratings. As previously stated, standardized performance ratings should be required to ensure that competitive

equality between comparative positions is maintained. However, the CSRA requires that performance standards be fit individually to each position. The military manager, whose primary interest and expertise may not be in the area of civilian personnel management, will need simple and easily understandable methods of deciding goals and objectives for each position that he or she supervises. An understanding of the CSRA, outlined earlier, will greatly assist in this process. The reader should keep the CSRA requirements in mind as Chapter III arrays a variety of performance evaluation methodologies.

III. PERFORMANCE APPRAISAL SYSTEMS

A. GENERAL

The new statutory requirements for performance evaluations under the Civil Service Reform Act (CSRA), pointed out in Chapter II, are basic and similar to other modern performance appraisal systems. For example, the requirements, discussed in Chapter II, call for periodic evaluations based on objective criteria, with the critical elements and performance standards for the position held to be communicated to the employee prior to the appraisal period. This approach underlies many of the approaches covered in the professional literature.

The focus of this thesis is on the establishment of these critical elements and performance standards for specific positions. The development of objective criteria and methods of quantifying levels of performance in a suitable format, simple and easily understood, is necessary to derive the desired results. The interest in this chapter is directed at how different non-CSRA related appraisal systems measure performance.

To examine all the possible types of performance appraisal systems suggested in management literature is not the objective nor the intended scope of this thesis. However, in this chapter the author does include descriptions

of various general categories of performance evaluation methods. These are methods that experts in the area of personnel evaluation use to classify the evaluation systems frequently used in both the public and private sectors [Refs. 38, 39, 40].

These major methods will be discussed with regard to their main characteristics, advantages and disadvantages, and their applications. The discussions for each method will be based on writings by experts in the area of performance appraisal methods. Along with each method discussed will be an informal comparison, made by this author, of the characteristics of the system under discussion and the criteria for performance appraisal required by the CSRA.

B. CHARACTERISTICS OF A "GOOD" APPRAISAL SYSTEM

According to Lazer and Wikstrom [Ref. 41], there is a general agreement among performance appraisal proponents and critics that there are certain characteristics which are the essence of a good appraisal system. Absence of these characteristics is generally cited in the criticisms of poor systems. Other sources also mention "essentials" or "requirements" which need to be addressed in the development and implementation of appraisal methods [Refs. 42, 43, 44]. The rationale behind each of these sets of characteristics appears to depend on each author's approach to management, behavioral or results-oriented, which could account for the

inclusion or deletion of various elements in each source. However, the four basic tenets described by Lazer and Wikstrom are all included in some manner by the other authors cited above. Descriptions of these four characteristics are provided below, along with discussions, by the author, of how these characteristics fit into the performance evaluation requirements of the CSRA that were described in detail in Chapter II.

1. Reliability and Validity

Reliability refers to the consistency with which the appraisal measures anything, including performance levels. A system should be reliable in that the evaluation of an employee's performance is independent of the person doing the appraisal.

Validity applies to the particular uses that are required of the system. For example, a system may be reliable, but, in the case of promotion decisions, it may not be valid, failing to include information on the employee's potential performance for future jobs.

Under the CSRA, performance standards are to be based on objective, job-related criteria agreed upon by both the supervisor and employee. This suggests to this author that the measure should be both reliable and consistent as required.

The CSRA requires that new appraisal systems be suitable for filling the many and varied needs and

requirements of personnel management. They are to be the basis for decisions to train, reward, assign, promote, demote, retain and remove employees. The new systems will thus be required to evaluate many facets of a position to ensure its validity in making these decisions. There are critics who are of the opinion that appraisal systems which attempt to achieve multiple results from a single system are invalid [Refs. 45, 46]. Attempts to meet all the needs which the CSRA desires weaken the performance appraisal system. It appears that the current thinking of management and the critics cited above is directed toward each system being tailored to one particular objective which is being sought.

2. Job Relatedness

There is a general requirement for appraisal systems to accurately measure the employee's performance. This in turn requires that the criteria on which judgment is to be made should be relevant and important to the job being performed. The criteria by which the performance is to be measured should be the result of an analysis of the position held.

Similarly, the CSRA requires the establishment of performance standards which will permit the accurate evaluation of job performance on the basis of objective criteria related to the job in question for each employee or position.

3. Standardization

Performance evaluations are sometimes used as a basis for comparing employees who are not always connected with the same part of the organization. To ensure consistency and comparability standardized evaluation forms are generally used. Systems that lack standardization are susceptible to bias on the part of the evaluator and different interpretations of what performance is being judged.

Standardization is not a requirement under the CSRA. Each individual agency is required to establish appraisal systems that fit the general requirements of the CSRA. It does not specifically state that appraisal systems within agencies should be standardized by position. The fact that the CSRA requires that the supervisors communicate at the beginning of each appraisal period the performance standards for that period and encourages employee participation in establishing these standards would indicate to this author that, even if a standardized form is used, a certain amount of flexibility will be required.

4. Practicality

The appraisal system itself should be simple and understandable. If the personnel who work with the system find it difficult to understand it may not be used properly. There are also legal ramifications if the system were to

have an adverse impact on employees protected by minority rights or unions. There is potential danger if the system is made too simple. If it fails to consider enough characteristics and traits on which to base judgment of performance then it does not serve any valid purpose.

The basic guidelines prescribed in the CSRA leave the design of the system up to the agency, but it specifies several required characteristics such as critical elements, performance standards and objective criteria. However, the number of purposes the systems are required to provide information for could make the task of designing a simple system a little more complex.

Other sources, taking a more behavioral-oriented approach, also include characteristics of communication and participation. There is a comparable feature of the CSRA which encourages employee participation in setting objectives and standards, and periodic briefings on how performance objectives are being attained.

In general, it appears that the CSRA requirements for performance appraisal systems are in keeping with the characteristics required for what experts call a "good" appraisal system. The fact that the CSRA deliberately leaves the details up to individual agencies in order to allow them flexibility in suiting their needs puts the onus on each agency to develop a "good" system [Ref. 47].

C. METHODS FOR APPRAISING PERFORMANCE

Authorities surveyed for the material used in this chapter tend to agree that the development of an effective performance appraisal system is one of the most difficult areas for an organization to manage. Management can establish policy and define specific duties and specifications for each employee, but pitfalls are encountered in attempting to define "performance," factors to be rated, standards or rating scales and in training supervisors in proper administration of the systems.

Judging results of individual performance is seen as the link between organizational goals and organizational achievement [Ref. 48]. Figure III-1 [Ref. 49] demonstrates the attempt made by agency managers to direct individual employee performance into organizational goals through performance evaluation systems. Organizational goals are broken down into various job-related objectives; the results they supply can be used to judge adequacy of individual performance.

This section deals with various types of performance evaluations generally recommended by experts in the area of personnel management and many used by organizations in both the public and private sectors. Appendix B contains sample formats demonstrating various types of performance appraisal systems previously published by The Conference Board, Inc., in a book of performance appraisal by Lazer and Wikstrom

FACTORS IMPACTING ON ORGANIZATIONAL ACHIEVEMENT

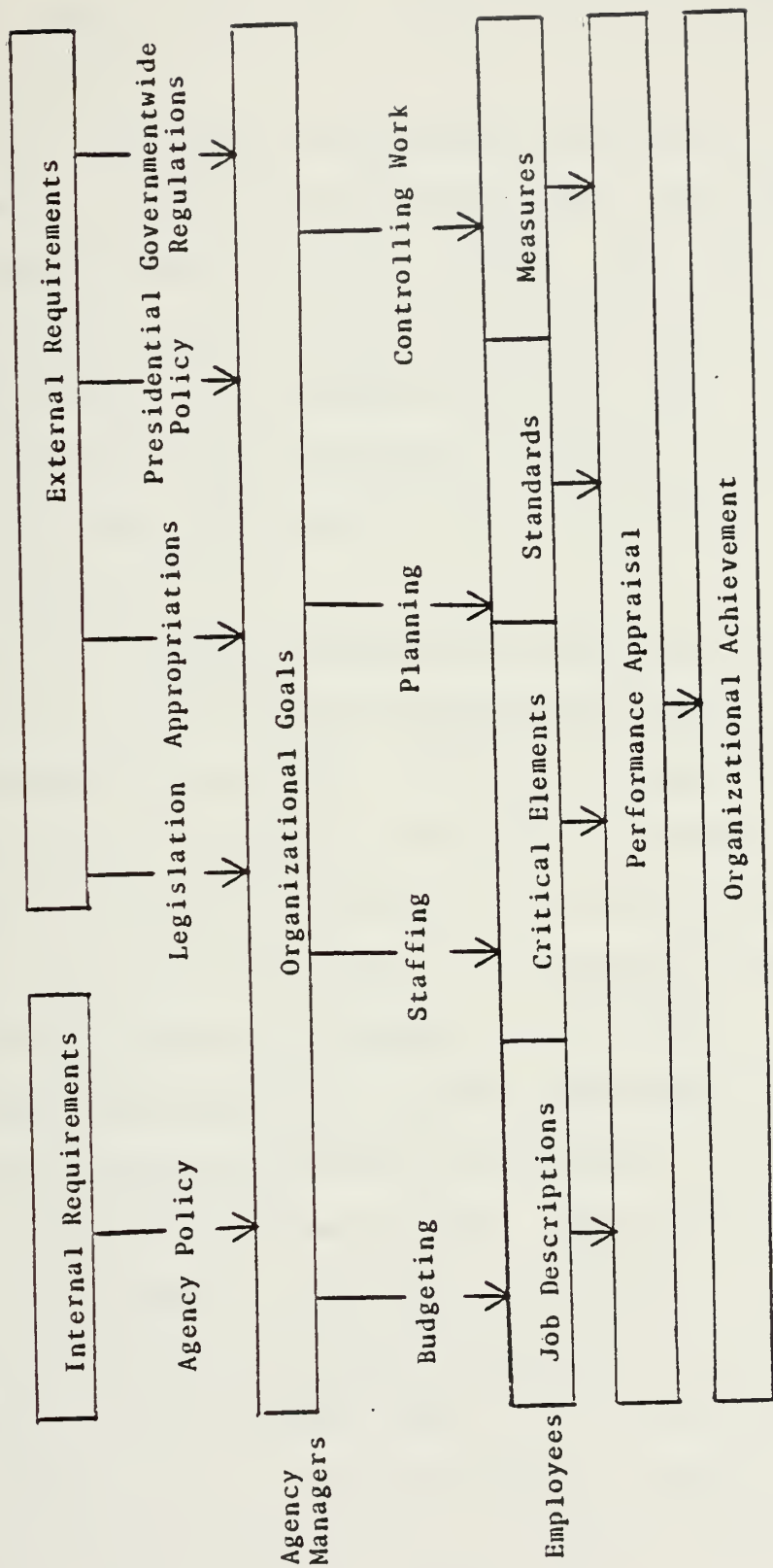


Figure III-1

[Ref. 50]. Samples from other sources will be noted as they are described.

The major categories of performance appraisals discussed in management literature are basically the same among sources surveyed for use in this thesis. The same names are used in most cases, and the characteristics and traits listed are similar. The differences lie in each author's approach and method of classifying evaluation procedures. Figures III-2 [Ref. 51] and III-3 [Ref. 52] demonstrate these differences.

Figure III-2 divides methods of performance appraisal into two types, the person-oriented approaches and the results-oriented approaches. The author, Lopez [Ref. 53], defines the person-oriented approaches as systems that assess the employee directly, focusing on his or her personal traits and style of performance. The results-oriented approach emphasizes the performer's end product.

On the other hand, Lazer and Wikstrom make no such distinction between approaches to performance appraisal in their evaluation of various methods. Their evaluation is based on the frequency with which each method is used in the private sector, the premise being that the most successful systems are the dominant ones in use by private enterprise. Figure III-3 is an excerpt from a survey, performed by Lazer and Wikstrom [Ref. 54], listing the approaches

PERSON-ORIENTED APPROACHES	RESULTS-ORIENTED APPROACHES
Performance Trait Procedures: Discrete Category Scales Graphic Scales Adjectival Scales Performance Comparison Procedures: Simple Ranking Methods Paired Comparison Methods Forced Distribution Methods Performance Description Procedures: Free Response Reports Performance Checklists Forced Choice Techniques	Quantitative Performance Measures: Output Data Efficiency Indexes Financial Indexes Narrative Performance Measures: Field Review Method Critical Incident Method Consultative Evaluation Procedures: Performance Standards Methods Management-by-Objectives Methods

Figure III-2

Middle Management
(208 companies)

	<u>Number of Companies</u>	<u>Percent of Companies</u>
1. Objective setting or MBO	110	53%
2. Essay (free form)	76	37%
3. Ratings		
Conventional or graphic	33	16%
Behaviorally anchored	17	8%
4. Critical Incident	30	14%
5. Checklists		
Behavioral	23	11%
Trait	23	11%
Forced Choice	9	4%
6. Rankings or Comparisons		
Straight ranking	16	8%
Alternation ranking	4	2%
Forced distribution	28	13%
Paired Comparison	4	2%

Figure III-3

most frequently used to evaluate performance of middle management personnel.

Due to the general agreement of experts on characteristics, advantages and disadvantages, and applications of the six methods of performance appraisal included in this chapter, specific references will not be made to any particular author. The following discussion of performance appraisal systems is based on three sources previously referenced, Lazer and Wikstrom, McMillian and Doyel, and Lopez.

Included at the end of the description of each performance evaluation method is a discussion of the applicability of the system to the requirements of the CSRA for performance evaluation. This discussion is based solely on this author's opinion of the various methods and their suitability to the requirements of the CSRA. These discussions refer frequently to CSRA requirements for performance evaluation taken from Title II, Section 203, of the CSRA which were previously discussed in Chapter II, Section C, of this thesis. Specific references are not noted separately but are included in the material cited above.

The methods discussed herein will be presented in order of the frequency that they are utilized by companies in the private sector (Figure III-3). This ordering is the result of a survey conducted by Lazer and Wikstrom [Ref. 51].

1. Management-by-Objectives (MBO)

a. Major Characteristics

The rationale behind MBO is that performance can best be measured by comparing the results of the employee's performance with the intended performance. MBO stresses the establishment of goals to be reached in a certain period of time, and the measurement of performance against the expected achievement of those goals. In some texts [Ref. 55], it is described as a four-step process. These four steps are outlined below. Figure III-4 contains a representation of the cyclical process as described by the four steps.

Step 1. The individual manager and his or her immediate superior confer about the proposed goals. They ultimately agree on the goals for the period and break them down into a set of objectives that will lead to attainment of the desired results. The final set of objectives should be challenging but attainable.

Step 2. The manager and his or her immediate superior confer about the proposed goals. They ultimately agree on the goals and break them down into a set of objectives that will lead to attainment of the desired results. The final set of objectives should be challenging but attainable.

Step 3. The manager goes to work, doing those things necessary to attain the objectives he or she has agreed upon, utilizing an established timetable with interim milestones to monitor progress.

Step 4. At the end of the period, the manager's performance is appraised on the basis of his or her achievements. Consideration is given to the way in which he or she worked toward the objectives, as well as to whether these were reached. On the basis of the period's results, another set of objectives is drafted

MBO CYCLE

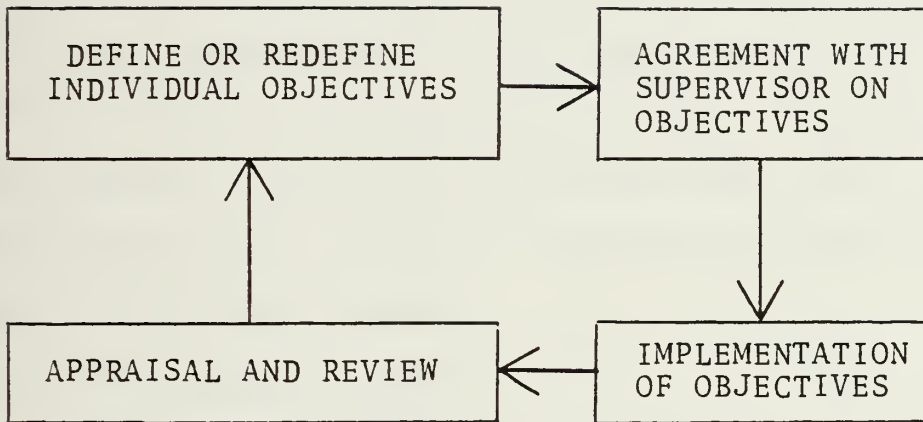


Figure III-4

for the next period. Figures B-1 through B-4 of Appendix B show variations of the MBO formats.

b. Advantages

The advantages of MBO include the fact that it is more objective than most forms of evaluation. It focuses on the results and achievements of goals and objectives, not on the more subjective characteristics of the person. MBO assists in clarifying the requirements of the job in question and in setting priorities among objectives. Additionally, by periodic review and updating of goals, MBO becomes a more flexible system which changes with the needs of the organization.

c. Disadvantages

Among the several disadvantages of the MBO system is the fact that evaluations, which vary depending on the position, can lead to false perceptions of inequality on the part of other employees. The system is susceptible to the use of varying standards to establish performance objectives. MBO must be established in conjunction with other management planning systems. Failure to establish these relationships can lead to the setting of unrealistically low goals which ensure the attainment of goals.

Many companies find the MBO approach difficult to set up and establish properly [Ref. 56]. It is very time-consuming to administer MBO goal setting which requires

extensive training on the part of participating managerial personnel.

d. Applications

The MBO method is primarily recommended for the supervisory and senior level positions which warrant individual goal setting. It is also recommended for use in programs that involve incentive awards in the private sector.

e. Applicability to the CSRA

The similarity between characteristics of MBO and the requirements for performance appraisal of the CSRA have prompted many government agencies to use MBO as an approach for developing individual performance standards. Its dynamic approach suits the need for flexibility in government [Ref. 57]. As previously stated, MBO is more applicable to supervisory and higher level tasks, more so than positions that are fairly routinized and where performance is more quantifiable and easily measured.

2. Free Form, Essay or Open-Ended Approach

a. Major Characteristics

This method will be called the free form method, in this thesis. It is basically simple and generally has little or no format. The supervisor is required to assess the employee's overall performance and describe the good and bad points in narrative form. There are three principal variations of the free form approach, the pure free form

just described, the critical incident method and the prompted free form. The critical incident method, due to its wide use in business, will be discussed separately. The prompted free form is the variation where the narrative assessments are written for preselected areas. Appendix B, Figures B-5 through B-7, show various examples of how different formats are applied.

b. Advantages

Supervisors have a free rein with the free form approach. The semi-structured prompted free form limits the writer to some extent, depending on the intricacy of the questions; however, it still allows a great deal of latitude and flexibility in writing the evaluation. The approach does not force supervisors to conform to certain attributes which they may feel have no bearing on performance. It allows supervisors to emphasize those points of performance that they feel are pertinent to the job at hand.

c. Disadvantages

The free form approach tends to be somewhat difficult to administer to large groups. The method, which is entirely subjective, tends to eliminate the possibility for comparison of employees due to varying standards. In the area of salary administration and incentive pay this method does not provide the necessary ratings.

Authorities state that the method, which is heavily dependent on the writing skill of the supervisor, tends to induce a "halo" effect. The free form method can be very time consuming. Some companies have the policy of specifying a particular minimum length with the feeling that too short an evaluation cannot encompass total performance.

d. Applications

As previously stated free form is not suited for salary administration or incentive pay programs. Its typical use is in conjunction with other approaches to assess promotability and personal characteristics of interest but not included in other parts of the evaluation. Subject to the writing skills of the immediate supervisor, free form is suitable for all levels of employees.

e. Applicability to the CSRA

The free form format, in itself, does not appear to conform to the requirements of the CSRA. The major discrepancy is that the CSRA requires objective criteria in order to establish performance standards. The free form method is subjective, although the scope of the subjectivity can be limited somewhat by the prompted free form format. It does possess characteristics that would allow it, in conjunction with another approach, to provide information for purposes of employee development and promotions.

3. Ratings

At one time the use of numerical rating systems was the primary method of evaluating employees. This conventional rating system used rating scales to measure to what degree an employee possessed various traits or characteristics. Conventional rating systems are now ranked below MBO and free form approaches in use according to a survey by Lazer and Wikstrom [Ref. 58]. Among the several sources surveyed by this author there are at least three types of rating systems used today, the conventional system already discussed, the performance-based ("behaviorally anchored") rating scale and the responsibility rating system.

a. Major Characteristics

(1) The conventional rating system consists of job elements or factors and scales divided into steps, usually between five and nine steps. The rater then attempts to assess subordinates' performance by indicating the degree to which the subordinate accomplishes or possesses each factor.

(2) The performance-based rating scale requires that the performance level for each position covered is defined in terms of the work task itself. Scale values are determined through research for each factor of the position included. Appendix B, Figure B-8 [Ref. 59], contains an example of a performance description used for performance-based

rating scales. Figure B-9 of Appendix B illustrates a different type of performance-based rating scale. Some experts recommend that this approach incorporate the "critical incident" method to determine which aspects of job behavior are most important to measure.

(3) The responsibility rating appraisal method requires that position descriptions for each position include all major responsibilities and standards of performance. Supervisors and employees annually review the position descriptions and set standards as needed. Periodic reviews are scheduled. The employee is rated on the responsibilities defined in the position description. The responsibilities are used as factors on the rating forms and anticipated achievement levels are recorded for comparison with actual performance. The rating scale is usually on an "outstanding-superior-average" basis and comments are to be included free form at the end of the evaluation. Appendix B, Figures B-10 through B-18 contain some examples of conventional and responsibility rating appraisal systems.

b. Advantages

(1) The conventional rating system's main advantage is in its simplicity. The format is easily understood and easy to administer. It is particularly advantageous when a large number of employees are to be evaluated in a short period of time.

(2) The performance-based rating scale consumes a great deal of time and effort for the initial development; however in general, this is thought to be a benefit to the system because the users of the scale are apt to be better acquainted with its use and more deeply committed to ensuring that evaluations are accurate. The performance-based rating scale tends to eliminate a good deal of the bias normally associated with rating scales. With stated measures of performance levels in the scales, the supervisor grades an employee's performance so that it can be translated into adjectives such as outstanding or superior work. The scales tend to eliminate the differences between different supervisors' perceptions of what a rating such as outstanding means by forcing them to use established scales.

(3) In the responsibility rating appraisal method the rating factors are part of the individual job description, but the rating scales are the same for all employees. Again, as with the performance-based rating system the initial development of the system consumes time and effort. However, an established system requires nothing more than incremental changes and occasional updating.

c. Disadvantages

(1) One of the major problems with the conventional rating scale is vagueness. The factors are not suitably defined and their interpretation is left open to

the supervisors. This introduces bias and decreases the comparability between employees. The scales, also, may not be made clear. The supervisor then sets his or her own point of reference and again the bias is increased and comparisons between employees are not accurate.

(2) Another drawback is the "halo" effect.

Supervisors tend to let the rating on one factor influence all other job factors. In other words, the evaluation makes it look like the employee is either good at every aspect of his or her job or poor at all aspects. Another problem that originates with the supervisor administering the evaluations is that they tend to group employees so close together in the ratings that it is difficult to differentiate between the good and bad performers. They do not allow for a spread so that performance can be distinguished. This also may be the fault of the scale; if not enough steps are included the performance evaluations for all employees would be so close together that no distinction in performance could be made.

(3) The main disadvantage of the responsibility rating scales comes from the fact that it is based on the position description for each position. Although two jobs are similar, the position descriptions may be quite different. For example, two secretarial positions would basically have the same position descriptions even if they were located in

different departments in the same organization. If the nature of the operations in each office required each secretary to perform factors not included in the basic position description, each individual's position description would have to be altered to include the new factor.

d. Applications

(1) The conventional rating scale is generally used in organizations where there are numerous lower level employees to be evaluated. Pay and promotion are not usually based on this appraisal method; however, poor performance records can hinder advancement and step pay increases.

(2) The performance-based rating system is most readily applied in situations where there are a large number of employees in a specific job. It is then feasible to establish clearly defined performance levels.

(3) The responsibility rating method is most useful in organizations where each job is described by a well-written detailed position description. It is also appropriate in situations where employees hold the same position in which duties are largely repetitive. The system can be used for pay administration, but since it applies to the current job held, it is not necessarily acceptable for use in promotion decisions.

c. Applicability to the CSRA

(1) The conventional rating scales do not specify the critical elements and performance standards for each individual position as required by the CSRA. The standardized format does not appear to eliminate the subjective opinion of the supervisor that is called for in the CSRA under objective performance measures.

(2) The performance-based rating system appears to meet most of the criteria of the CSRA. It specifies critical elements and objective measures of performance. It is also tailored to each individual position. Like the other systems it does not appear to cover all the areas required by the CSRA. Performance-based rating scales apply to current performance and therefore are not valid for decisions concerning promotions.

(3) The responsibility rating method is comparatively the same as the performance-based rating scales. It meets most of the requirements of the CSRA, but is applicable only to decisions concerning current performance.

4. Critical Incidents

a. Major Characteristics

The critical incident method is, as already discussed, one of several essay or free form approaches to performance evaluation. It involves a continuing review of performance in order to assess the employee's handling of

certain incidents, called critical incidents, due to their relative importance to the job. Performance is given either a good or bad rating based on how the employee handles these particular incidents. The person doing the rating uses a basic essay method of describing the employee's performance. The narrative must be concisely written, giving a clear indication of whether the performance in the incident can be termed either good or bad; no middle-of-the-road explanation is acceptable. In many organizations, the supervisor just maintains a log with a record of any critical incidents that occur during the period so that they may be taken into consideration for writing the annual evaluation.

b. Advantages

The critical incident method tends to eliminate the vagueness characteristic of some essay type appraisal systems. It gives the individual writing the evaluation various points to focus the narrative on and ensures that performance throughout the period is recorded, not just the performance in the last month prior to evaluation.

c. Disadvantages

The disadvantages of the critical incident method are the same as those of most essay formats. It is time-consuming, biased by the subjective opinion of the supervisor, and tends to depend on his or her writing ability. Many managers tend to forget to maintain their records or logs accurately due to time pressures. By clearly defining

specific incidents, the evaluation could tend to focus on bad performance. Bad performance and mistakes are often more noticeable than continued good performance.

d. Applications

As with the free form or essay methods, critical incident reporting is not suitable for salary administration or incentive pay programs. It is suitable for all levels of employees.

e. Applicability to the CSRA

The critical incident method does not appear to meet the requirements of the CSRA. While it does establish critical job elements that must be monitored, it fails to use objective measures of performance. Instead it relies on the subjective opinion of the supervisor to determine if the performance in question is considered good or bad.

5. Checklists

a. Major Characteristics

The checklist method also has three variations. The basic form of all the checklist approaches is to rate performance on various traits, behaviors and characteristics that are included in the checklist. The three methods are the simple checklist, the weighted checklist and the forced distribution checklist. To use the forms the person appraising performance simply checks off those items that apply to the individual being evaluated, except in the forced

checklist where the item that most closely describes the employee's performance has to be chosen from a group of several items that could apply.

The main difference in the various checklist approaches is in how the lists are developed. The simple checklist just lists all those elements deemed critical to the position the employee holds. The weighted checklist is a more difficult approach. An individual familiar with each position must develop weights to be applied to the critical elements in the checklists. The weights are based on the priority of the traits listed relative to the job being performed. The weights basically serve to distinguish the more important requirements from requirements that should be included for informational purposes but are not necessarily as important to job performance.

The forced-choice checklist forces the appraiser to choose the item that is either the most descriptive or least descriptive of the employee performance. As with the weighted checklist, this approach must be developed by persons familiar with each job to which the system applies. The design of the system is complex, but the resultant product is simple to use as are all checklist approaches. Figures B-19 and B-20 of Appendix B contain examples of the checklist format.

b. Advantages

All the checklist approaches are simple to use. The "halo" effect is minimized because there are no degrees of variance. The employee either possesses a particular trait or he does not. Bias is essentially eliminated because all employees are evaluated on the same scale, using the same form. The items on the checklists are also not narrowly defined and allow interpretation by the administering supervisor.

c. Disadvantages

In most cases the traits listed are general and do not relate to any specific job. It requires a large amount of time and effort to develop different checklists for each individual position or group of jobs. The raters can also introduce their own standards into the method thus making it unreliable for comparative purposes. Many of the checklists developed also tend to emphasize personal characteristics of the individuals and not their job performance.

Both the weighted checklist and forced-choice checklist require extensive knowledge in the area of statistics to develop appropriate weights and indexes to scale the traits listed. In most cases, consultants and management experts are required. The fact that final scoring techniques are not revealed to the supervisors writing the appraisal, but are arrived at by either computer or trained personnel, sometimes lessens the cooperation required for the success

of the system because the supervisors may feel that the end product does not reflect their initial evaluation.

d. Applications

This method is best applicable in lower level positions where it is unrealistic or impractical to set performance standards. The jobs concerned are not necessarily routinized and/or there is difficulty in obtaining quantitative measures of performance.

e. Applicability to the CSRA

While the checklist approaches tend to focus on critical job elements as required by the CSRA to some degree, they do not include performance standards for the employees to meet. They do not appear, in some cases, to possess the desired flexibility and there is no interaction between the employee and his immediate supervisor in setting the objectives to be followed during the evaluation period.

6. Ranking Techniques

a. Major Characteristics

Most employers usually tend to compare or rank their employees against each other either formally or informally. Formal ranking techniques do not allow any two employees to receive the same rating as do other evaluation systems. Comparisons are made based on either an overall evaluation of an individual's performance or on different characteristics and critical elements included in the evaluation. The ranking does not indicate the performance

level of the employees concerned; it basically gives a relative comparison of their standings against each other. There are two approaches normally used in ranking employees. The straight ranking system basically takes the whole group of employees and places them in rank order. The alternation approach is based on the premise that it is easier to identify extremes than differentiate between marginally different employees. In this method the evaluator chooses the best performer, then the worst performer, then goes back and chooses the next best and next worst and so on. A sample of alternation ranking procedures is provided in Appendix B, Figure B-21.

b. Advantages

These systems tend to group employees in categories of best, average and worst employees. This appeals to some managers who desire to know who they can work with and develop more fully.

c. Disadvantages

These systems provide no information about the employees such as how they perform, their respective jobs, what aspects of the job are the poor performers failing in, and they give no information on what was the expected performance.

d. Applications

The most viable application for this method is in an organization that uses a pay-for-performance salary

administration. It is undesirable in other situations because it cannot be used for any purpose other than identifying the best, worst and average employees. It is not effective when a small number of employees are involved.

e. Applicability to the CSRA

This system does not meet the requirements of the CSRA due to the fact that it reveals no information on individual performance.

There are numerous other methods of performance evaluation available that are variations of the systems previously outlined, some with modifications that may make them somewhat unique. The methods presented here provide the basic background and information needed to understand what purpose each type of system serves. A summary of the characteristics of each method and its applicability to requirements of the CSRA, as discussed by this author, is provided in Figure III-5.

D. SUMMARY AND CONCLUSIONS

The requirements of the CSRA imply that evaluation systems are to encompass all situations likely to occur in personnel administration that could require an evaluation of performance. The information resulting from the evaluation will have to produce data for two types of decisions [Ref. 60]:

SUMMARY OF CSRA/EVALUATION METHOD COMPARISON

Appraisal Method	MBO or Objective Setting Approach	Free-Form or Essay Approach	Conventional Performance-Based Responsibility			Critical Incident	Checklists	Rankings
			Rating Scales					
			CSRA Requirements					
1. Periodic Appraisals of Job Performance	X	X	X	X	X	X	X	X
2. Employee Participation in Establishing Standards	X							
3. Results Useful in Making Personnel Decisions	X					X		
4. Establish Performance Standards	X		X	X	X			
5. Contains	X			X	X	X	X	
A. Critical Elements								
B. Objective Criteria								
C. Related to Job			X	X	X	X		
6. Communication to Employee of Performance Standards and Critical Elements	X							

Key: X implies applicability to CSRA.

Figure III-5

1. Those in which the employee's performance is compared to the standards set for the position.
2. Those in which comparisons must be made among individuals.

The requirements of the CSRA do not, in themselves, limit the number of evaluation systems that can be utilized to cover the needs of each position. Most evaluation methods used are generally a combination of several types to allow both a standardized, objective assessment of employee performance and the supervisor's assessment of the reasons for the individual's success or failure in the job. These performance evaluation systems are custom-built so to speak by combining several of the methods outlined earlier into what is commonly termed the "multi-method" approach [Ref. 61].

The multi-method approach is typically applied when no single procedure can produce valid and reliable data to serve all the purposes management requires of its performance evaluation system. It is used when no single procedure is applicable to every individual position within the group being evaluated. This approach can combine two, three or four methods in order to tailor the evaluation system to fit the characteristics of the organization in which it is to be applied. Again, simplicity should be kept in mind to ensure correct use of the system and minimal error.

Although use of the correct performance appraisal method for each job eliminates the unreliable and invalid aspects

of performance appraisals, there are other pitfalls which should be noted in order to avoid error [Ref. 62].

All terms used in the evaluation should be clearly defined to eliminate the different interpretations that supervisors could use. To some supervisors the term performance could denote "results," while to others it may mean "effort expended." Another distinction that must be made is whether it is "progress" or "proficiency" which is to be rated.

Other areas to be careful of have already been mentioned such as the job-relatedness of the factors being evaluated and ensuring that each job is accorded a separate set of factors that describe it fully. These items are important to note because the development of a good performance evaluation system requires the time and attention of many people. All the time spent could result in wasted effort if the end product does not fill the required needs.

According to all the literature surveyed by this author, virtually all organizations should use separate performance appraisal forms for management personnel and other employees. The upper level evaluations are required to be more concise and contain more information than those for lower level workers. These systems should entail not only evaluations on current job performance, but additional information in other areas such as leadership, organizational and planning

skills and assessments of potential strengths and weaknesses relevant to promotion decisions.

Under the CSRA the different levels of workers are separated by the service designations given to the upper and mid-range managers by the SES and Merit Pay Systems as discussed in Chapter II. The performance systems covering all employees not covered under these two plans should be divided into two separate categories, one covering the lower level employees, GS-9's and below, and one covering supervisory personnel not covered under Merit Pay, the GS-10 through GS-12's. These positions are held by personnel who are, for the most part, potentially promotable to the upper ranks. They are also a very important link in the organization structure for any agency. These positions bridge the gap between the workers and the planners.

Again, the intent of this thesis is to apply the performance evaluations concepts previously discussed in order to demonstrate what type of evaluation is required to adequately evaluate these middle positions. Chapter IV will now do this through the use of three job areas of field comptroller departments.

IV. THE NAVY COMPTROLLER ORGANIZATION

A. GENERAL

In the first stage of this thesis the author has reviewed both the requirements of the Civil Service Reform Act (CSRA) of 1978 for performance appraisal and the various methods of evaluating personnel. Now, in the second stage, the author attempts to demonstrate how the basis for standardized criteria for evaluation can be developed for Navy-wide application to fit specific job needs of the Comptroller of the Navy (NAVCOMPT).

The author begins this chapter by establishing the relationship between the internal policy requirements of NAVCOMPT and the comptroller of a field level activity. The chapter then demonstrates how the impact of the CSRA, established in Chapter II, can be dealt with utilizing established guidelines of the Navy Comptroller Manual (NAVCOMPT Manual) and requirements and policy of the local activity.

B. THE NAVY COMPTROLLER ORGANIZATION

Passage of the CSRA has affected virtually all Federal government agencies. As previously discussed in Chapter II, the one section of the CSRA that has implications on practically all Federal government employees is the section on performance appraisal that covers all non-Senior Executive

Service (SES) employees [Ref. 63]. Figure IV-1 [Ref. 64] depicts the impact of CSRA provisions for performance appraisal on the continuum of performance elements that constitute the whole of an agency's mission.

A brief summary of the establishment of the comptroller function, from research by James E. Pledger [Ref. 65], is used to introduce the organization structure to be examined in this chapter.

The office of NAVCOMPT was established on June 1, 1950, by the Secretary of the Navy (SECNAV). This action marked the formal implementation of Title IV of the National Security Act Amendments of 1949 within the Navy, a law which was enacted to promote uniform budgetary and fiscal procedures throughout the Department of Defense (DOD). Prior to this the initial functions of comptrollership in the Navy were treated as collateral duties rather than as formal staff positions.

Within the Department of the Navy (DON) NAVCOMPT is the responsible office for financial management policy. NAVCOMPT is also the responsible agency for developing and issuing standard functional guidelines for field comptrollers who are periodically reviewed to ensure that they are providing comprehensive services to their respective commands [Ref. 66].

NAVCOMPT provides professional guidance and direction for financial management functions throughout DON. Authority and responsibility, designated by law and from the Secretary

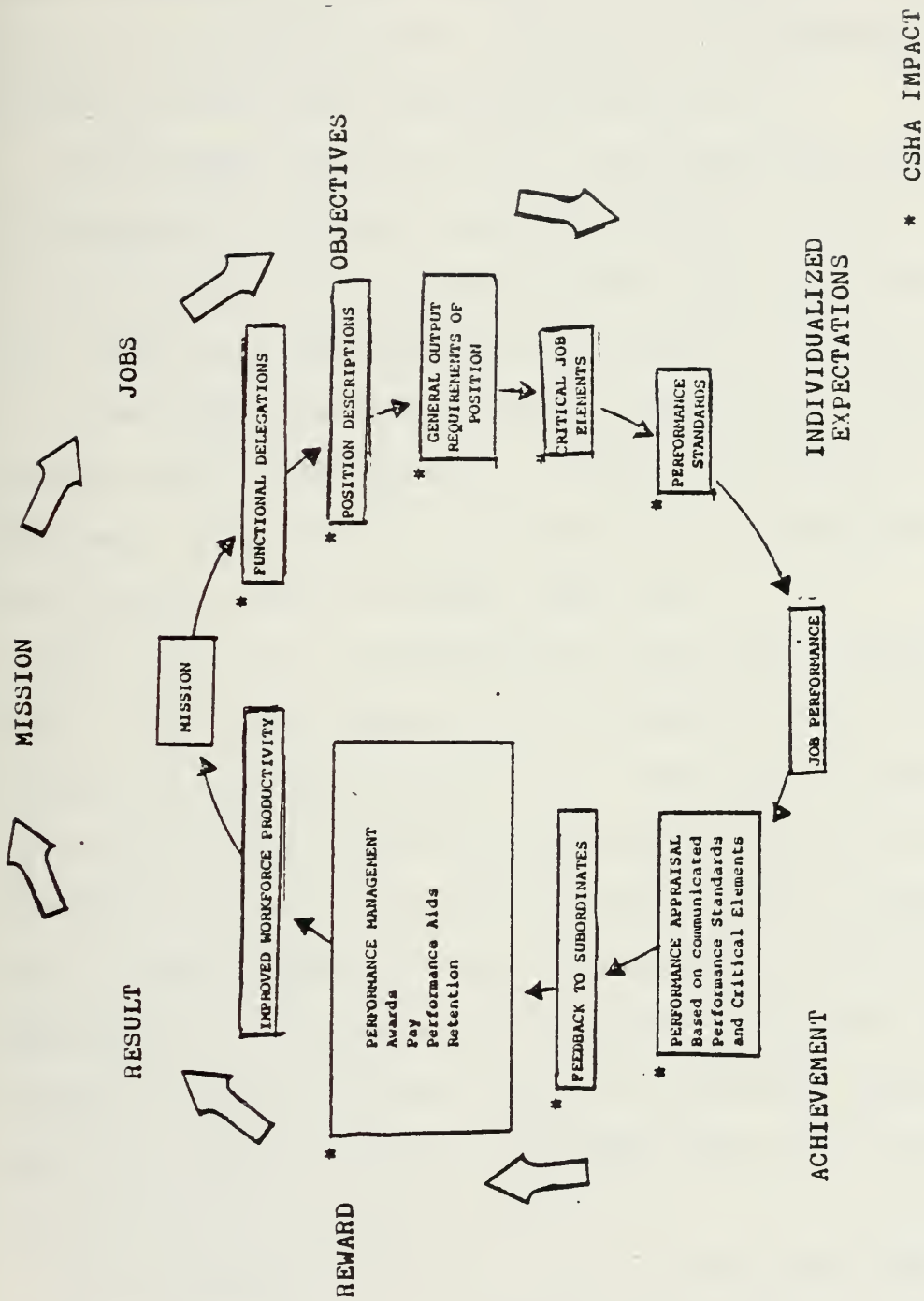


Figure IV-1

of the Navy (SECNAV), are exercised through established command channels. Overall guidance and direction are provided through the NAVCOMPT Manual, related naval handbooks, and NAVCOMPT instructions and notices [Ref. 67].

The NAVCOMPT organization is continually assessing policy and procedures to ensure that its mission is being carried out effectively. As a result of this review procedure, the major interaction between NAVCOMPT and field organizations is in the form of written NAVCOMPT instructions and/or notices which alter existing procedure. Alterations range from small items which "fine tune" to major modifications that require extensive change [Ref. 68].

The duties and responsibilities for each division and level of the comptroller are well defined within the NAVCOMPT Manual as depicted in Figure IV-2. The manual further specifies actions for which field activities are responsible. Provisions are made to allow for differences in command size, such as consolidation of divisions and for the type of fund administration required, such as Navy Stock Funds (NSF) and Navy Industrial Funds (NIF). The NAVCOMPT Manual specifies that the details of organization will be tailored to fit the local need [Ref. 69].

In responding to the CSRA and its new provisions for performance evaluation, NAVCOMPT would like to determine if applications of performance appraisal systems can be utilized Navy-wide for specific positions [Ref. 70]. In order to make

FIELD ACTIVITIES

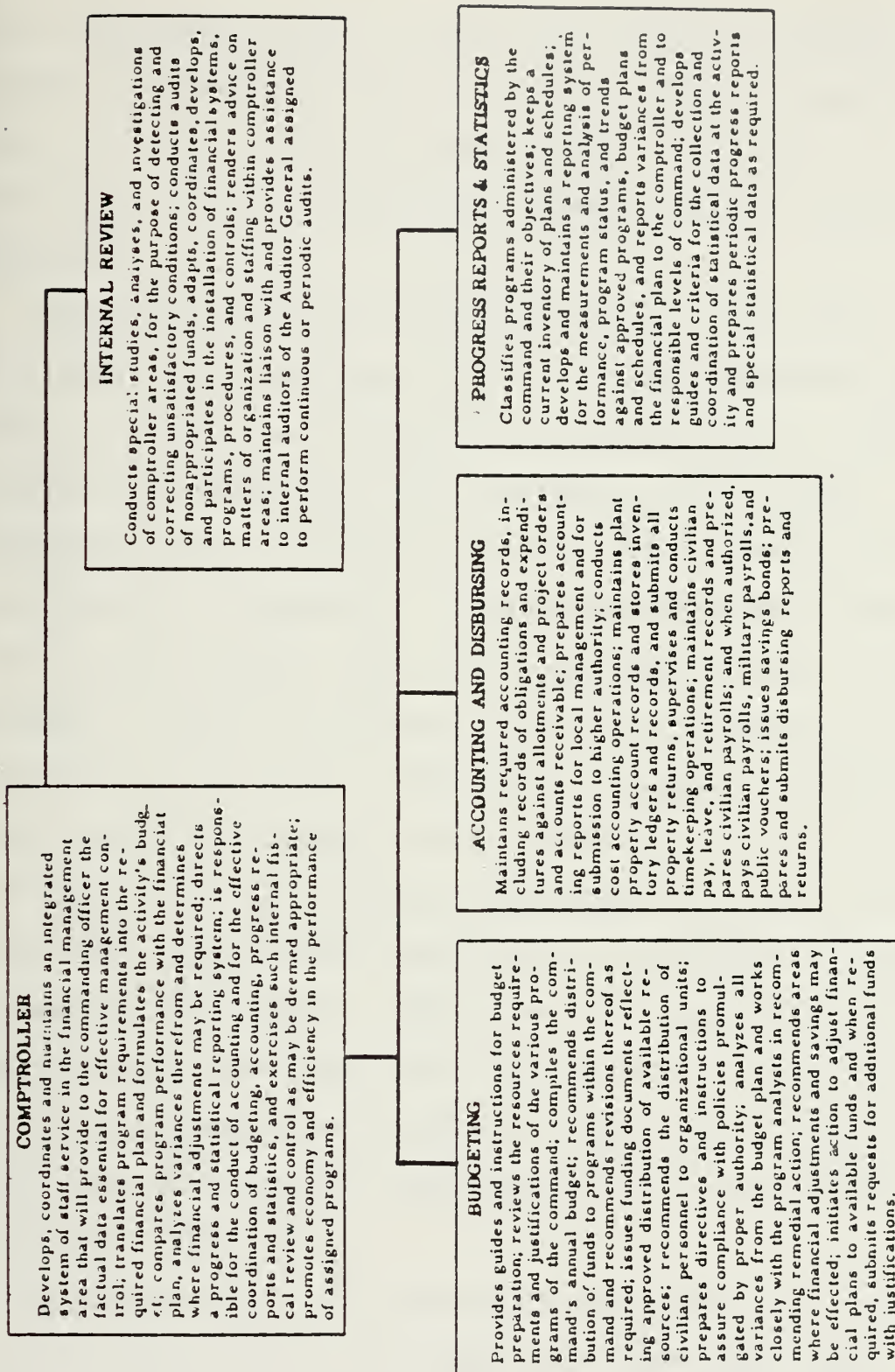


Figure IV-2

this determination this author feels that the consistency between the responsibilities of field activity comptroller-ship, as stated in the NAVCOMPT Manual, and those responsibilities resulting from local command policies should be compared.

According to Deputy Director, Office of Personnel Management, Jule Sugarman [Ref. 71], requirements on management are established internally (by agency policy, i.e., NAVCOMPT) and externally (by substantive legislation, appropriations, Presidential policy, and Government-wide regulations). Management's requirements result in organizational goals, budgets and work plans which in turn can be assigned to various divisions and then be reduced to and expressed in individual performance elements, standards and measures for the managers and supervisors. In this chapter, the author uses the internal requirements for field activity comptroller departments established by NAVOMPT and delineated in the NAVCOMPT Manual. These are associated with position descriptions (PD's) and the field activity's interpretation of job requirements to establish critical job elements, thus fulfilling the external requirements of the legislative statutes of the CSRA.

In order to provide a basis for comparison with actual functions performed by the comptroller department and individual positions within it, the author briefly describes, in the following sections, the formal functions of the Navy

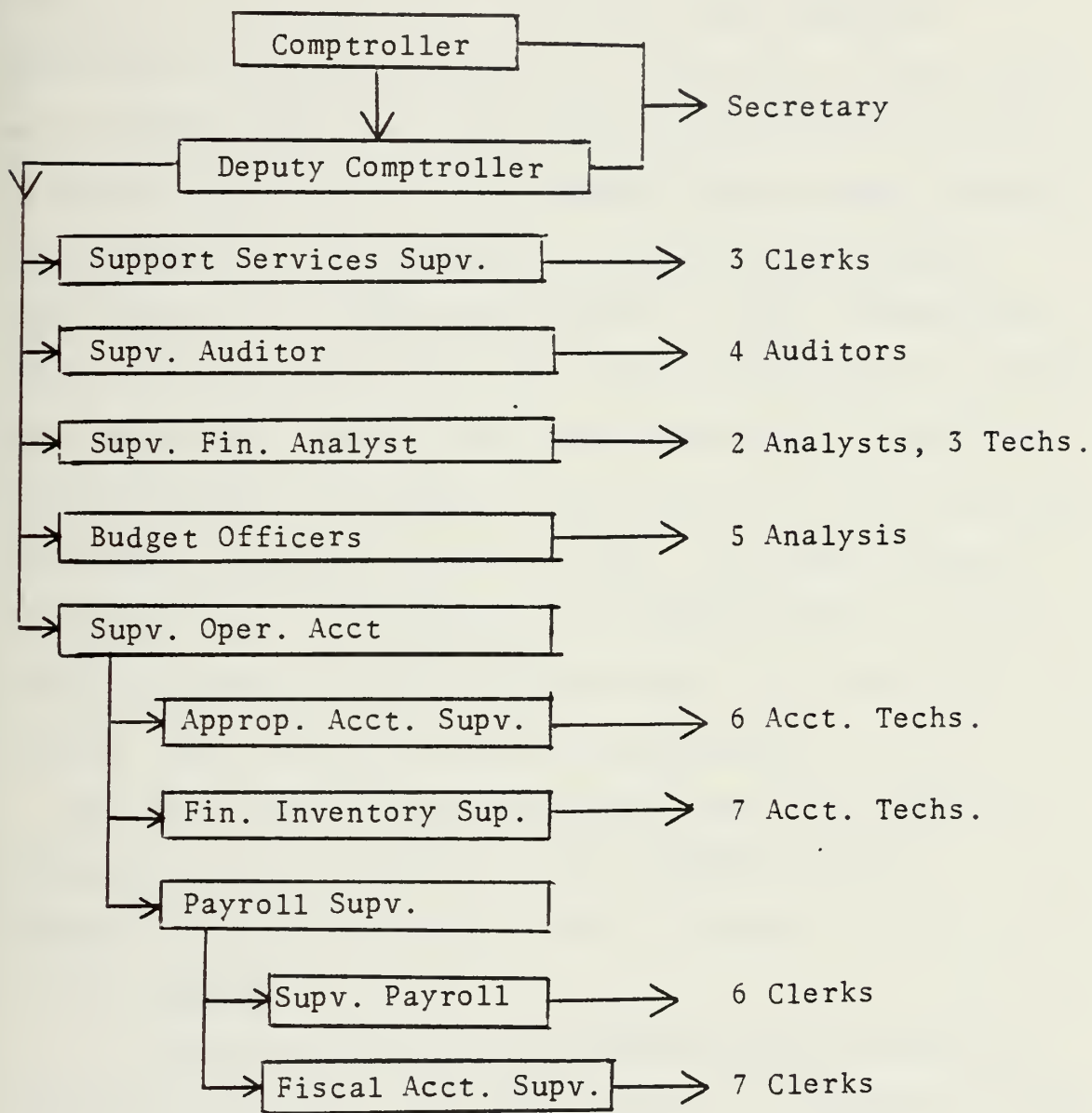
field activity comptroller department as delineated in the NAVCOMPT Manual.

C. THE FIELD ACTIVITY COMPTROLLER ORGANIZATION

Since the initial implementation of NAVCOMPT authority comptroller organizations have been established, according to the NAVCOMPT Manual, in offices, bureaus, commands and other field activities where the size, scope, and complexity of fiscal operations justify the need. Field activities supplying information used in this thesis include naval air stations, naval air rework facilities, naval supply centers, education and training commands, and several other service type installations.

Although all civil service positions will be affected by the CSRA, the number of job positions within the comptroller department are too many and varied to be covered in a single thesis. The comptroller department organization chart depicted in Figure IV-3 is shown to give an idea of type and number of civilian positions typically found in a field activity comptroller department. Only three supervisory positions, which are common to most field activity comptroller departments are examined in this chapter. These positions are those of the budget officer, the accounting division supervisor, and the supervising internal auditor. These three positions involve organizational relationships which require managerial expertise in addition to technical abilities.

COMPTROLLER DEPARTMENT ORGANIZATION



Total Civilian Personnel = 55

Figure IV-3

According to the NAVCOMPT Manual, except for internal auditing, most of the comptroller functions are being performed in all headquarters and major field commands. Budgeting and accounting duties at the field activity level may be broken down by the divisions as described in Figure IV-2. In smaller activities a less formal organizational structure is required and the functions of budgeting and progress reporting can be accomplished within a single organization entity. In activities which do not perform official accounting, memorandum records are reconciled to the accounting reports produced on behalf of the activity by the designated Authorized Accounting Activity (AAA). Although internal control is not a new function of comptrollership, it has recently received renewed emphasis due to the need for tighter efficiency and economy in operations.

The functions of comptrollership that this thesis is concerned with are outlined in the NAVCOMPT Manual, Volume I, Chapter 2, article 100, as follows:

1. General

The basic functions of comptrollership should be performed by or for every naval activity, regardless of the complexities of financial management.

2. To Provide an Integrated System for Financial Management

An integrated system for financial management is established, coordinated and maintained by the Comptroller

or cognizant personnel in order to provide the Commanding Officer with the factual data essential for effective management control of operations. The Comptroller is responsible for:

- a. Technical guidance and direction of financial matters throughout the organization as a staff service to the Commanding Officer;
- b. Maintenance of a classification of the programs administered and their objectives and a current inventory of budget plans and program schedules;
- c. Budget formulation, review and execution;
- d. Collection of obligation, expenditure, cost, and other accounting and operating statistics data;
- e. Review of program performance against the financial plan;
- f. Promotion of economy and efficiency in the performance of assigned programs.

3. Budgeting

Personnel engaged in budgeting provide technical guidance and instructions for preparation of the budget. They review requirements and justifications for the various programs and prepare estimates of the cost thereof and compile the annual budget and other budgetary data as required by authorities in the review cycle. They recommend distribution of available funds and civilian personnel to programs within the command and revisions thereof; issue funding documents reflecting approved distributions of available resources; analyze variances from the budget plan and recommend remedial action where appropriate; determine

areas where desirable reprogramming may be effected; initiate action to adjust financial plans to available funds and, when required, submit requests and justifications for additional funds.

4. Accounting

At the field activity level, accounting personnel are responsible for:

- a. Maintenance of required accounting records of obligations and expenditures against allotments and project orders;
- b. Preparation of accounting reports both for local management and for submission to higher authority;
- c. Maintenance of cost accounting operations, plant property records and financial records of inventory transactions of all classes of property and submission of all property returns;
- d. Supervision and performance of timekeeping operations;
- e. Maintenance of civilian pay, leave and retirement records and preparation of civilian payrolls.

In accordance with the applicable policies, regulations and procedures, personnel engaged in disbursing perform:

- f. Functions of payment of civilian payrolls, receiving and depositing collections and, when authorized, the payment of military payrolls, public vouchers and the issuance of savings bonds;
- g. Maintenance of the required disbursing records and the preparation and submission of disbursing reports and returns.

5. Internal Review

Internal review (e.g., financial review, analysis and trouble shooting) is a responsibility of command and will be performed at all installations. It will not impinge, however,

upon the functions of internal audit which are the responsibility of NAVCOMPT. The principal functions of internal review consist of:

- a. Conducting special studies, analyses, and investigations of comptroller areas for the purpose of promptly detecting and correcting troublesome and unsatisfactory conditions in connection with established financial practices, procedures, records, accounting systems, statements, and reports;
- b. Performing audits of nonappropriated fund activities;
- c. Rendering assistance in correcting deficiencies which are revealed from time to time by internal audits conducted by the Director, Naval Audit Service or by reports, analysis, observation or other means;
- d. Adapting and participating in the installation of approved financial and accounting systems and procedures;
- e. Developing and coordinating financial programs, procedures and controls, such as programs for checking labor and material distributions;
- f. Rendering advice on matters of organization and staffing within comptroller areas;
- g. Maintaining liaison with, and providing assistance to, internal auditors of the Director, Naval Audit Service assigned to perform continuous, periodic or integrated audits;
- h. Performing a review of civilian timekeeping and payroll functions annually.

These guidelines, issued from higher authority are defined more narrowly at the field-level activity and tailored to fit the local situation. Goals for the department result in a set of specific descriptions of individual

positions, each with a set of defined duties and responsibilities which should reflect the expected organizational accomplishments for the comptroller's department [Ref. 72].

One key issue is whether it is possible for a manager to have control of the situation so that accountability can be demanded. Performance appraisals for supervisory personnel generally focus on those duties of planning, organizing and scheduling work. Supervisors are also rated on their performance of personnel management, labor relations and Equal Employment Opportunity (EEO) requirements [Ref. 73]. In order to ensure the goals of the division supervisor are in line with the departmental goals, as previously stated, there needs to be a link between goals and required performance.

D. POSITION DESCRIPTIONS AND CLASSIFICATION STANDARDS

Internal command policy regarding position requirements is promulgated in a position description, more commonly known as a PD. Classification standards are issued by OPM as standard guidance to govern all Federal government employees and are administered at the local and/or cognizant civilian personnel office. Classification standards consist of job standards for every position covered under occupational and job series. The standards are compiled, revised and updated by OPM executive branch direction.

1. Position Descriptions (PD's)

The importance of the PD in documenting duties and responsibilities, consistent with the job being performed, should not be underestimated. It is on the basis of the PD that a position is matched to "classification standards" and the grade level assigned [Ref. 74]. A PD, as defined in Appendix A, is "an official written statement of the major duties, responsibilities, required skills and supervisory relationships of a position... Although the basic function is not evaluative, it can be helpful in arriving at a list of job elements for performance."

A distinction that should be made clear is that while duties and responsibilities indicated by the PD are useful for determining job elements, they are not extremely useful in developing performance standards. The duties and responsibilities in the PD reflect what work is done. Performance standards describe how well the work is done in terms of speed, accuracy, etc. [Ref. 75].

According to Sugarman, with the CSRA, agencies will have to decide whether to include performance standards and critical elements in their position descriptions or to develop separate statements. In his opinion, the most realistic choice is probably to develop separate statements. Regardless of which approach is taken, the employee's PD and job classification must be consistent with the critical

job elements and performance standards used to evaluate the individual performance. Agencies taking personnel action based on inability of an employee to reach minimum performance standards in critical elements will be required to produce evidence that the employee knew what was expected and that the expectations were job-related. Therefore, agencies should adequately document both standards and critical elements [Ref. 76]. In order to establish critical job elements the supervisor should make a thorough review of what the employee is doing and what the supervisor requires the employee to do. If there is some difference between what the employee is doing and the PD, then the PD should be corrected to show that it is actually assigned to the employee [Ref. 77].

2. Classification Standards

Classification standards are predicated upon a number of characteristics being relatively uniform to the particular job under consideration [Ref. 78]. Figure IV-4 demonstrates the relationships that evolve to the final classification of a job and the corresponding responsible entities.

Classification and qualification standards for each type of occupation within the Federal government are set by the Standards Development Center in OPM. The selection and review of various occupations and job series is conducted

CSRA IMPACT ON NAVY COMPTROLLER ORGANIZATION

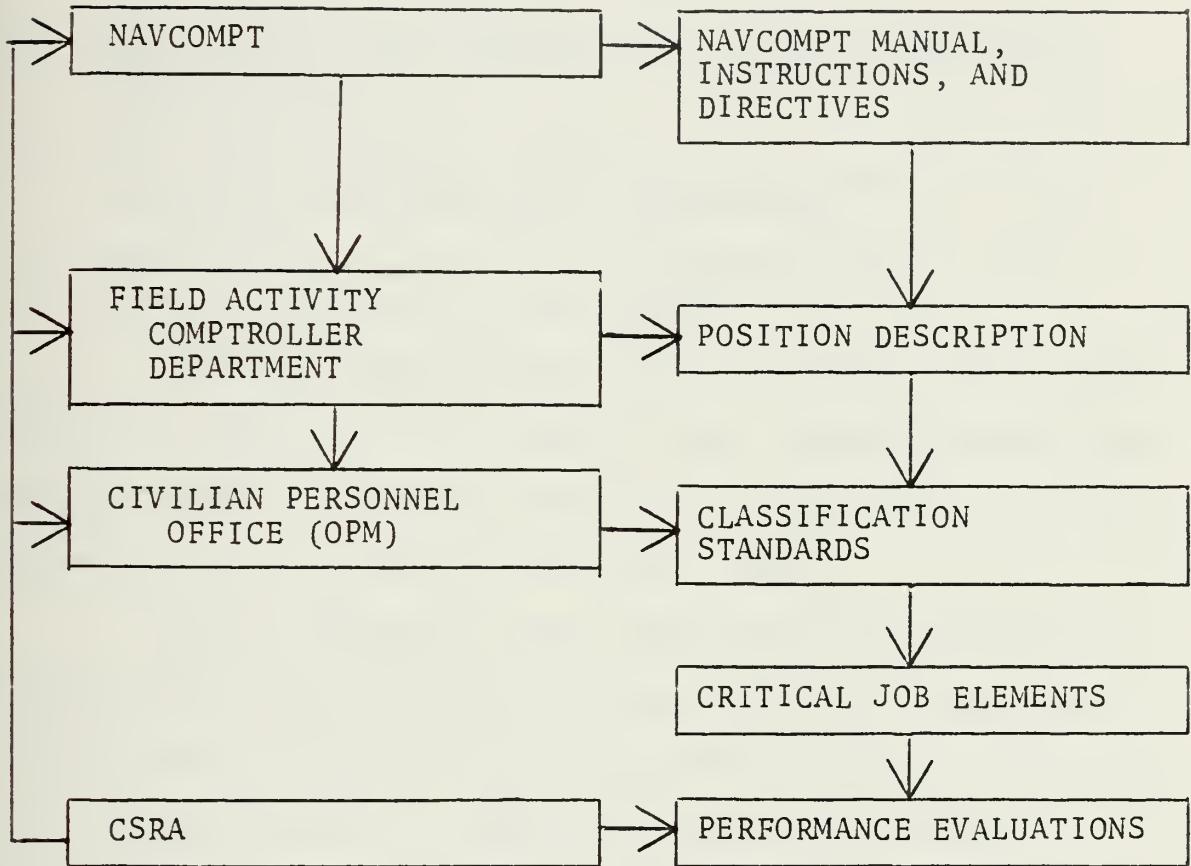


Figure IV-4

by the Center with agency participation. The agency's role in this area includes [Ref. 79]:

- a. Soliciting suggestions for occupations and job series to be reviewed.
- b. After the occupations and job series are selected, agencies are then requested to participate in a fact-finding survey.
- c. After the standards are drafted, the Center solicits comments and suggestions from agencies.
- d. After review and analysis of agency comments, the final standards are then issued.

The grade level criteria used to assign a particular grade level employee to a position are: organizational level, organizational complexity, and scope of operation and participation in the designated mission [Ref. 80].

A PD is prepared by the immediate supervisor of the position being described and reviewed within the department before submission to the local civilian personnel office for classification action. Classification is with regard to a grade level position within a particular job series such as technician, clerical, analyst and so on in a particular field. The PD is measured against classification standards to see which particular set of standards are the most closely related. The standards are based on grade level criteria which are common to all similar positions in the Federal service. The grade level of the position to be assigned is based on the standards matched, emphasizing the importance of a well documented, accurate PD.

Classification of positions is not an exact science. There are standards for every occupational and job series within the Federal government covering some 2.5 million government service employees. The end result is that classifiers must "shoe-horn" PD's to fit the best or most applicable standards [Ref. 81].

Mixed occupational jobs, which are very prevalent at small activities where one employee combines several positions, usually require that the most predominant standards be used to assign the grade-level. Mixed positions are also found at large commands. These usually combine technical expertise with administrative positions. In most cases the paramount requirement is usually the highest grade. The primary interest is in finding the standards which best fit the positions since the classifications are used for recruitment. A misassigned grade level could disqualify the best qualified person for the job [Ref. 82].

E. FIELD ACTIVITY SURVEY

1. Data Collection

In order to determine if the job requirements of the three positions studied were consistent among field activities, the author conducted telephone and personal interviews with comptroller departments and civilian personnel offices (CPO) and requested copies of applicable PD's from 10 activities surveyed. At the request of several of the

participating activities locations of positions identified will not be revealed. The author ensures complete confidentiality by using numbers in lieu of names to distinguish between activities. The 10 activities were selected judgmentally by this author because of travel constraints. The contents of the PD's reviewed by the author will not be revealed unless they pertain to the discussion of the determination of critical elements. No statistical inferences will be made from this data.

2. Surveyed Results of Data Collection

Ten field level activities, of varying sizes and with different missions, submitted their local PD's for supervisory accountant, supervisory internal auditor, and budget officer. Figure IV-5 is a compilation of the information received by job series classification and grade levels of the positions under discussion.

The variation in grade levels assigned in each category is based on criteria previously discussed such as size of activity and complexity of operations. The diversity of occupational series, most notably in the accounting positions, is apparently a direct result of the organizational structure. The internal auditor function has little variation from command to command. The budget officer, in some cases, is the result of combining offices such as budget and finance, budget and management officer, and budget and fiscal officer.

SURVEY DATA

ACTIVITY NO.	SUPERVISORY OPERATING ACCOUNTANT	SUPERVISORY INTERNAL AUDITOR	BUDGET OFFICER
1	GS-341-15 ¹	GS-150-9	GS-560-13
2	GS-505-15 ²	GS-510-14	GS-505-14 ³
3	GS-341-11 ⁴	GS-510-9	GS-560-13
4	GS-525-8 ⁵	GS-510-12	GS-560-12
5	GS-510-14	GS-510-13	GS-560-14
6	GS-510-11	GS-510-12	GS-560-12
7	AAA ⁶	GS-510-9	GS-560-11
8	GS-510-11	GS-510-12	GS-560-13
9	GS-510-12	GS-510-12	GS-560-12
10	GS-510-12	GS-510-11	GA-510-12

Exceptions to Headings:

¹Management Control Department Head

²Financial Manager

³Director of Budget and Fund Administering Division

⁴Deputy Director, Regional Finance Center

⁵Supervisory Accounting Technician

⁶Accounting Function Performed by Authorized Accounting Activity

Figure IV-5

In the accounting area, this situation also exists. In addition, there is a definitional problem. At smaller commands the accounting position is non-existent with those functions being performed by the Authorized Accounting Activity. Mid-size activities are more autonomous and have the accounting function supervised by an accounting professional that comes under the title of supervisory operating accountant, which are of the job series that this thesis will study. Much larger commands, which administer a more complex mix of funds, have different procedures and require an administrator or resource management function in addition to the accounting expertise. The combined positions result in various occupational series that are also contained in this review. Although there may be supervisory operating accountants located at these large activities, they do not have responsibility for the accounting division. This thesis is interested in those supervisory positions which have the responsibility for division performance.

3. Additional Information

Both telephone and personal interviews were conducted with all activities surveyed in order to obtain their assessments of the implication of the CSRA on their systems of performance evaluation. On the average, the activities were non-committal and very few had taken any action to change existing methods pending guidance from higher authority.

Several interesting items were revealed that this author considered relevant to the issues at hand. They are cited here in order to provide contrast and in order to demonstrate potential future action that can be utilized or considered by other activities.

One command indicates that under the CSRA the importance of the PD has increased. Command policy dictates what form PD's are to take. During one point in time this particular command operated on individualized PD's; in other words, each employee position was described by a separate PD. If there were five budget analysts, the PD for each of them was different to suit each and every differentiated detail of the job. Then, command policy was changed in an attempt to standardize job requirements. A standard PD was used to cover all five budget analysts (all of the same grade level). The reason for the change appears to be that the command was attempting to streamline operations in the Civilian Personnel Office. After passage of the CSRA, command policy again changed, this time back to individualized PD's, in anticipation of the performance appraisal requirements of the CSRA.

Another interesting fact that arose during the course of the interviews was the difference in the present evaluation procedures among commands. Some commands tend to leave methods of performance appraisal up to the individual departments; others have promulgated guidance

on how to evaluate civilian employees. As a result there appears to be a wide variety of methods utilized to actually evaluate performance, all of which basically result in the proper blanks in the standard form, Figure IV-6, being filled in with no indication of the actual procedure used.

One activity said that the immediate supervisor has total responsibility for rating subordinates. The basic method is to render a subjective opinion on the subject employee's performance and place check marks in the appropriate categories. According to civilian employees interviewed, the only time the performance evaluation would really make a difference was if a marginal or unsatisfactory evaluation were given. This would, in effect, make the employee ineligible for his or her quarterly step increase (QSI -- permanent step pay increase) and also ineligible for cash awards for sustained superior performance (SSP -- reward/award payment). Figure IV-7 [Ref. 83] depicts performance/appraisal relationships.

Another department at a different command takes a more serious approach to performance appraisal. The department uses a system which utilizes the forms shown in Figures IV-8 and IV-6. The matrix-type form in Figure IV-8 is a conversion document. It relates job elements, contained in the PD of the employee being evaluated, to appraisal characteristics of the formal, standardized appraisal document shown in Figure IV-6. The purpose of the matrix

PERFORMANCE EVALUATION AND RATING
NAVSO 12430/9 (9-74)

NAME OF EMPLOYEE		POSITION TITLE/SERIES/GRADE		PERIOD COVERED		
NAME OF SUPERVISOR		ORGANIZATIONAL LOCATION		FROM	TO	
				ACTIVITY		
SECTION I						
V	ELEMENT	UNSATISFACTORY	MARGINALLY	FULLY	HIGHLY	OUTSTANDING
A	KNOWLEDGE OF	Seriously deficient in more knowledge, understanding & information essential to do tasks of job.	Satisfactory knowledge of routine phases of work. Some lack of knowledge on difficult tasks.	Has adequate knowledge of all aspects of job to perform in a satisfactory manner.	Understands thoroughly all regular aspects of job. Has more job related information than most.	Well versed on all unusual & regular, complex aspects of job. Frequently consulted by others.
	1. Field/Profession	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	2. Procedures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	3. Regulations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	4. Specifications	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	5.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	6.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	7.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B	ABILITY TO:	Seriously deficient in this ability. Questionable if additional training/experience would improve performance.	Weak in this ability. Additional training/experience should improve performance to meet expectations.	Demonstrates adequate ability required in carrying out duties.	This ability is an asset of the individual. Performance is above what is normally expected.	Outstanding in this ability. Frequently consulted and recognized for technical expertise. Has trained or assisted in this ability.
	1. Write	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	2. Communicate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	3. Research	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	4. Analyze	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	5. Coordinate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	6. Negotiate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	7. Compute	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	9.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	10.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	11.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	12.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C	PERSONAL ATTRIBUTES	Usually does not meet deadlines. Quality of task/output not commensurate on time. Does not meet work requirements.	Meets deadlines on routine tasks. Difficult tasks marginal in quality if completed on time. Does not meet all workload requirements.	All deadlines are met without sacrificing quality. Meets required workload.	Usually meets deadlines in advance with better than average quality. Usually does more than what is expected.	Always meets deadlines well in advance with good to excellent quality. Always accomplishes more than expected.
	1. Responsive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SEE INSTRUCTIONS ON BACK OF FORM

Figure IV-6A

B. MANAGERIAL/EXECUTIVE ABILITIES		USE PERFORMANCE LEVEL DEFINITIONS OF SECTION II A					
1. Formulates realistic goals/objectives							
2. Changes organizational structure to meet needs							
3. Recognizes and analyzes problem							
4. Identifies/sets best course of action							
5. Decides in course of action							
6. Anticipates potential problems							
7. Evaluates program continuously to insure achievement of objectives within cost/time constraints and quality specifications							
8. Utilizes support systems							
9. Solicits and considers views of others							
10. Promotes good public relations							

Note: Supervisors will review the performance evaluation of graded employees when making acceptable level of confidence determinations for within-grade increases. See CMMI 531.

COMMENTS/RECOMMENDATIONS: (Indicate positive actions recommended on women evaluated unsatisfactory or marginal)

ANNUAL RATING ☐ OUTSTANDING ☐ SATISFACTORY ☐ UNSATISFACTORY

SIGNATURES

RATER: I HAVE BEEN THE SUPERVISOR OF EMPLOYEE

FROM: _____ TO: _____ Signature: _____ Date: _____

REVIEWER: EMPLOYEE HAS BEEN UNDER MY GENERAL SUPERVISION

FROM: _____ TO: _____ Signature: _____ Date: _____

EMPLOYEE SIGNATURE: I HAVE REVIEWED THIS RATING IN AN INTERVIEW WITH MY SUPERVISOR. MY SIGNATURE DOES NOT NECESSARILY INDICATE MY CONCURRENCE WITH THE EVALUATION, RECOMMENDATIONS, OR RATING.

Signature

Date

SEE INSTRUCTIONS ON BACK OF FORM

Figure IV-6C

INSTRUCTIONS FOR COMPLETING FORM

1. Enter the information required on the heading of the form.
2. Section IA—Check the knowledges required by the position. Add any additional knowledges required by the position and check them.
3. Section IB—Check each ability required by the position. Add and check the left margin for other elements that may be required. However, check applicable abilities listed in IA and B before adding elements to insure non-duplications.
4. Section IC—Review the elements in this section closely. Only essential or required elements should be checked or added to this list. Personal attributes should not be checked or added if they are only "desirable" but not "required" to complete the tasks of the position. If elements are added to this section, performance level definitions will also be required for those elements.
5. Sections IIA and B—Check the elements that are required to perform the tasks of the position.
6. Evaluation—Evaluate the incumbent of the position on all elements checked, by marking the box under the appropriate level of performance. Level descriptions will not always be totally accurate, but the description which most nearly describes the incumbent's performance should be marked. When evaluating a supervisor on element 6, Section IIA, consider the supervisor's ability to rate employees in the evaluation process.
7. Comments and Recommendations—Indicate positive actions recommended or initiated to improve marginal evaluations or unsatisfactory evaluations. (Any additional paper required to complete the comments and recommendations should be identified by the employee's name.)
8. Annual Rating—Determine the rating based on the above evaluation as follows:
 - A. Outstanding—All elements should be evaluated outstanding, or the one or two elements that are not outstanding must be marked "highly satisfactory". Outstanding ratings require justification and higher level approval, in accordance with CMMI 430.C.
 - B. Satisfactory—All employees who do not meet the criteria for outstanding and are not unsatisfactory.
 - C. Unsatisfactory—If more than one element has been marked unsatisfactory (or only one and there is a tendency of being marginal in the other elements). Unsatisfactory ratings must meet the procedures and higher level approval requirements of CMMI 430.C. Appropriate supervisory or administrative action must be initiated to correct unsatisfactory performance when first detected, rather than waiting until the end of the rating period.
9. Signatures
 - A. Rater—Fill out the rater's signature line, sign and date it to verify that he has completed the form.
 - B. Reviewer—The supervisor of the rater must review the elements checked, evaluations made, comments and recommendations, and annual rating for accuracy and concurrence. If disagreement occurs, the reviewer and rater should discuss it and come to a mutual agreement. The reviewer will complete the statement, sign and date it, verifying concurrence. The rating will not be discussed with the employee prior to concurrence by the rater and the reviewer.
 - C. Employee—Signs and dates form only after the evaluation, comments, recommendations, and annual rating have been explained and discussed by the rater.

NOTE: In most cases, all elements will be marked outstanding before an employee will be eligible to receive an outstanding annual rating. However, if the rater truly feels the employee should receive an outstanding rating (even though one or two elements were marked highly satisfactory), he should submit the required justification for an outstanding rating to the appropriate higher level authority, in accordance with the local performance rating instructions, CMMI 430.C, and this instruction.

Figure IV-6D

PERFORMANCE/APPRaisal RELATIONSHIPS

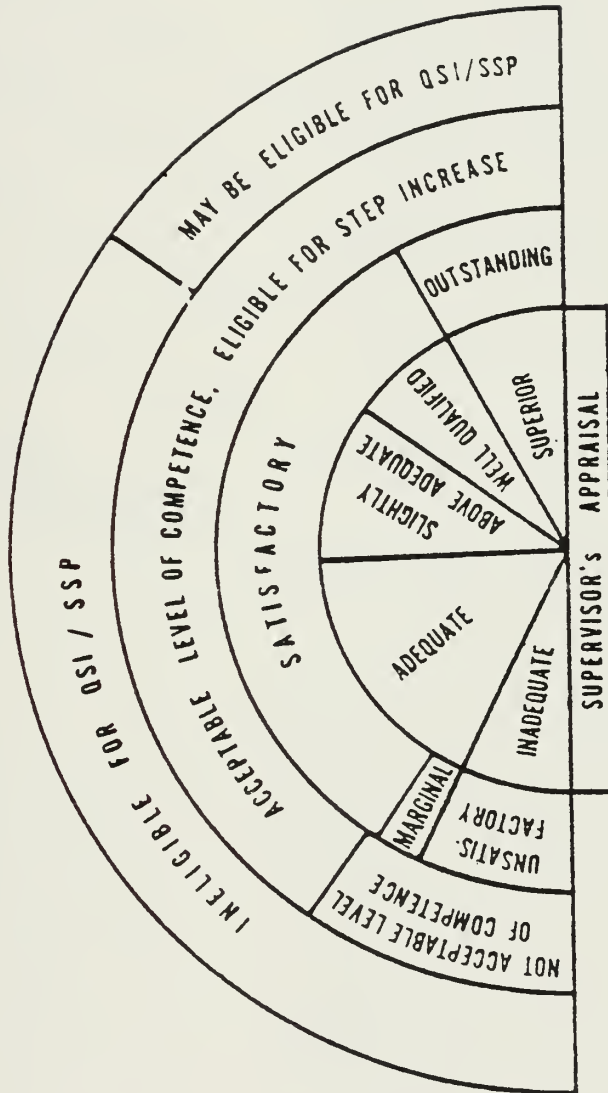


Figure IV-7

is to establish a direct link between what is required of the individual vis à vis the PD and the performance appraisal system. The matrix basically shows which PD elements are applicable to which appraisal characteristics. This breakdown is made on a one-time basis for use during evaluation periods and is updated upon change to the PD.

The advantage of this system appears to be that the evaluator pays more attention to the evaluation process, and both the evaluator and the employee being evaluated are more aware of how performance is rated in terms of performance elements.

Another interesting method of performance appraisal that this author came across is no longer in use by the department from which it was obtained. The origin of the form could not be determined. It is introduced here because the author feels that it is relevant to the subject of performance evaluation under consideration in this thesis. The approach appears to be a multi-approach method that utilizes a trait-based rating scale and Management-by-Objectives (MBO) approach.

Figure IV-9a is the first page of the evaluation. The employee is rated, subjectively by his or her immediate supervisor in four major appraisal characteristics which are divided into various traits, defined in Figure IV-10. If the employee is in a supervisory position, two more

Type of Position		Graded Supervisory		Graded Non-Supervisory		Ungraded Supervisory		Ungraded Non-Supervisory		Kind of Rating		
<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/> Official		
<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/> Unofficial		
NAME				RATING PERIOD								
				FROM				TO				
PAY NO.		POSITION TITLE		CODE: SECT/BRANCH/DIV								
NAME OF ACTIVITY				LOCATION OF ACTIVITY								
DEFINITIONS:												
OUTSTANDING - All aspects of performance not only exceeded normal requirements but were outstanding and, in addition, deserved special commendation.												
SATISFACTORY - Acceptable performance that met or exceeded minimum requirements.												
UNSATISFACTORY - Performance that clearly failed to meet minimum requirements.												
APPAISAL CHARACTERISTICS				OUT	ABOVE	SATIS-	NEEDS	UNSATIS	OBJEC			
				STANDING	SATIS-	FACTORY	IMPROVE-	FACTORY	ASSG	NO.		
PROFESSIONAL COMPETENCE												
Judgement												
Insight												
Compliance with instructions												
Accuracy of work												
Written/oral expression												
Promptness in completing assignments												
Creativity in problem solving												
Technical knowledge												
Ability to cooperate with shope/other dept.												
WORK HABITS:												
Completeness of work												
Initiative												
Volume of work produced												
Neatness of completed work												
GROWTH POTENTIAL:												
Ability to organize												
Coordinate projects												
Desire to accept responsibility												
Self-development												
ADAPTABILITY:												
Acceptance of new ideas/procedures												
Performance under pressure												
Resourcefulness												
Willingness												
SUPERVISORS ONLY												
ADMINISTRATION:												
Planning												
Organizing												
Leading												
Controlling												
Coordinating												
DEVELOPMENT OF PEOPLE:												
Recognition of growth potential												
Identification of development opportunities												
Skill in coaching												
Willingness to release subordinates for development												

PRIVILEGED INFORMATION
NOT TO BE DIVULGED

Figure IV-9A

PERFORMANCE RATING REPORT (CONT'D)

DEVELOPMENT PROGRAM: Summarize specific work assignments, educational courses or other developmental experiences designed to assist the employee in improving present job performance.

1. OBJECTIVE/ASSIGNMENT: _____
COMMENTS:

2. OBJECTIVE/ASSIGNMENT: _____
COMMENTS:

3. OBJECTIVE/ASSIGNMENT: _____
COMMENTS:

4. OBJECTIVE/ASSIGNMENT: _____
COMMENTS:

5. OTHER ACCOMPLISHMENTS: Consider unlisted objectives/assignments; assistance given others in accomplishing their objectives/assignments; identification and development of promotable employees; furtherance of Section, Branch, Division and Command objectives both short-term and long-term; efficiency of operations; organizational improvements; etc. Identify below: (Use attachment, if needed)

OVERALL ACCOMPLISHMENTS: _____

Figure IV-9B

INTERPRETATION OF APPRAISAL CHARACTERISTICS

Professional Competence

Judgement - The ability to make decisions or form opinions based on given data or information and a good understanding of particular situations.
Common Sense

Insight - The ability to analyze and understand the inner nature of problems. The ability to recognize problem aspects beyond the obvious.
Intuition

Compliance with Instructions - The ability to respond to instructions efficiently and in a timely manner without being told more than once. Once a supervisor issues an instruction, he should not have to follow up. If employee does not understand the intent of the instruction or the requested response time, he should question it. If employee cannot remember verbal instructions, he should take notes.

Accuracy of Work - Includes technical accuracy and grammatical accuracy (for written work). Be 100% sure your work is accurate. Seek assistance from peers. Beware of copying previous work; it is not always accurate.

Written/Oral Expression - Ability to communicate effectively. Oral expression requires two-way communications. Be sure all parties understand. Written expression should flow logically and be grammatically correct. A logical order is; Facts (Background), Discussion, Recommendations or Conclusions.

Promptness in Completing Assignments - Be sure you know what completion date have been established. Prioritize your work. Negotiate ECD's if you feel you cannot meet them and don't wait until the last minute!

Creativity in Problem Solving - Ability to apply inventive or imaginative solutions to problem resolution rather than always relying on known solutions; known solutions may not apply to unique problems. Therefore, you must be imaginative and have the ability to do original work to resolve unique problems.

Technical Knowledge - Ability to utilize engineering techniques and practices to perform assigned tasks.

Ability to Cooperate with Shops/Other Departments - Requires a knowledge of the NARF organization and functional responsibilities in order to understand external perceptions. Ability to be sympathetic to the problems of others and diplomatic in dealing with these problems.

Figure IV-10A

Work Habits

Completeness of Work - Ability to consider and complete all aspects of assigned tasks and to recognize the total impact of solutions. (e.g. RECON, DRN's, ASO, NATSfs).

Initiative - The ability to think and act without being told. Applies specifically to performance of assigned tasks when given only general direction and guidance.

Volume of Work Produced - In the absence of a specifically measurable product, this characteristic is measured as productive man-hours. Stay on task! Minimize "bull sessions", "day dreaming", coffee breaks, etc.

Neatness of Completed Work - Primarily the ability to produce legible and orderly software.

Growth Potential

Ability to Organize - Primarily project organization including task descriptions, scheduling, funding projection and status reporting. Also considered is the ability to organize and manage your time so that all assigned tasks show a measure of progress vice only the ones with the highest priority.

Coordinate Projects - Ability to perform and/or coordinate performance of all project tasks so that the project is completed on time and within budget. To accomplish projects efficiently, you absolutely must identify, describe, schedule and monitor all project tasks and subtasks.

Desire to Accept Responsibility - Strictly a measure of whether or not an employee requests additional responsibilities in assigned areas or areas of interest.

Self Development - A measure of what employee is doing to improve skills at work and/or on his own time.

Adaptability

Acceptance of New Ideas/Procedures - Ability to adapt to ever-changing policies and procedures. Includes accepting, remembering, and implementing new policies and procedures (technical and administrative).

Performance Under Pressure - Ability to resist intimidation and panic. Ability to do a complete and accurate job when schedules are tight.

Resourcefulness - Ability to deal promptly and effectively with problems, and to benefit from previous experiences and organizational knowledge. Know where to go to get the job done!

Willingness - A measure of how readily or willingly assignments are accepted. Do you volunteer for unassigned tasks?

Figure IV-10B

characteristics are included in the evaluation. The employees are provided with their own copy of Figure IV-10 to ensure that they are aware of the definitions of the traits on which they are being graded. After performance is rated on the scale ranging from unsatisfactory to outstanding, the results are surveyed. Those areas in which the employee received his or her lowest marks are then prioritized with respect to importance to overall performance. In the last column, the deficient traits are assigned objective numbers in order of priority, with one being the highest priority. The supervisor then turns to the second part of the evaluation, Figure IV-9b, which implements the MBO portion of the evaluation.

The supervisor decides on objectives that the employee needs to meet in order to improve performance to a more satisfactory level in those deficient areas. Assignments or courses or other developmental experiences designed to assist the employee in improving present job performance are recommended by the supervisor. The overall performance and suggestions for improvements are combined in this method. The evaluation for the next period then considers the goals of the previous period and whether or not they were accomplished.

The author feels that this method has advantages over the present standardized evaluation because it includes most of the present evaluation system, and adds the MBO part

which provides for the supervisor's assessment of what the employee needs to do to improve his or her performance. The biggest disadvantage of the system is that it is basically a trait-approach and does not consider the job itself, nor does it include any quantitative performance standards.

One of the commands surveyed had taken extensive actions to implement a program which fulfilled requirements of the CSRA. The comptroller department had taken the initiative and had contacted OPM's Western Regional Training Center, requesting information and training on the proposed methods of performance evaluation. The result of this action was a "Performance Standards Workshop," conducted by the Western Regional Training Center, which explained the requirements of the CSRA in relation to performance appraisal. The workshop demonstrated methods of preparing duty statements for use in determining critical elements and performance standards.

The training resulted in implementation, within the comptroller department, of descriptive job statements for all employees. Those descriptions for the positions of interest in this thesis, supervisory operating accountant, supervisory internal auditor and budget officer, are contained in Figures IV-11, 12 and 13, respectively. The statements include three to four duty statements which encompass the duties and responsibilities of the job. These statements are typically

POSITION: Supervisory Operating Accountant GS-510-11

<u>DUTY STATEMENT</u>	<u>PERF STANDARD</u>	<u>MEASUREMENT</u>
Organizes, plans and directs work performed by Accounting Division personnel.	Organizes work flow and provides OJ training within three months to newly appointed employees to insure timely, economic and efficient performance.	Supervisory review.
Performs major claimant accounting and reporting responsibilities to higher authority.	Manages leave schedules to achieve optimum integration of personal desires and division productivity.	Supervisory review.
	90% of reports are produced in a timely and accurate manner for delivery to higher authority. In case of ADP delays insure that manual reports are submitted as specified in NAVSO P-3006 and CINCPACFLTINST 7042.4E.	Number of complaints from higher authority.
	Ensure timely briefing of Comptroller/Deputy Comptroller in all matters regarding deficiencies (RSJ679), inaccuracies, or failure to meet required reporting schedules.	External audits.

*Critical

Figure IV-11A

POSITION: Supervisory Operating Accountant GS-510-11 (Continued)

<u>DUTY STATEMENT</u>	<u>PERFORMANCE STANDARD</u>	<u>MEASUREMENT</u>
Conducts obligation validation reviews in order to fulfill the legal requirements for fiscal year-end certification, and in order to eliminate erroneous obligations, considering unliquidated obligations and unobligated balances.	Validation to be conducted no less than three times a year. Establish and maintain a schedule for performing the reviews in the prescribed frequencies in accordance with NAVCOMPT 039101, and 019005.	Supervisory review. External audits. Field assistance visits.
*Performs AAA functions for NAVPRO, Lockheed Missile and Space CO, Sunnyvale, Ca., and NAVPRO, Rockwell International, Anaheim, Ca.	98% of reports are produced in a timely and accurate manner for delivery to higher authority. Ensure timely briefing of Comptroller/Deputy Comptroller in all matters regarding deficiencies (RS 3679), inaccuracies, or failure to meet required reporting schedules.	

*Critical

Figure IV-11B

POSITION; Auditor GS-510-11

Duty Statement	Performance Standard	Measurement
*Conducts audits of Command resources, both appropriated and nonappropriated, to detect waste, fraud and abuse.	90% of scheduled audits are performed on time. Insures that working papers supporting such audits are neat and complete.	CO's acceptance/rejection of findings and reasoning. External audits. Supervisory review.
Confers with representatives of Station Departments audited.	Meets on a regular basis with Department representatives. Must be able to sell controversial and critical observations, findings and recommendations to Department Heads and Managers. No more than four situations per year in which Departments audited feel that proper approach, knowledge and understanding of problems were not demonstrated.	Supervisory review. Feedback to Supervisor/Department Head. Complaints by other Departments.
Performs integrated analysis of Operations and Maintenance (O&MN), Other Procurement Navy (OPN) and Fleet Aviation Maintenance (OFC-50 and 01) funds to evaluate financial condition and regulatory compliance.	Conducts a minimum of three major reviews per year. All reviews, including report writing, will be completed within 12 weeks of the opening conference.	Supervisory review. CO's acceptance/rejection of findings and reasoning.

*Critical Element

Figure IV-12

POSITION: Budget Officer: GS-560-11

Duty Statement	Performance Standard	Measurement
Plans, develops and executes the financial program for the station.	Reviews DoN financial management policy and develops local notices and instructions to insure compliance. Assists NAS departments in formulating their budget program, issuing budget calls for both O&N and OPN. Recommends specific adjustments to insure that estimates do not exceed programmed fund resources and authorized staffing levels. Resolves problem areas in discussions with managers and department representatives. No more than two situations per quarter in which budgetary data are returned by higher authority due to incompleteness or errors.	Supervisory review. Number of complaints from TYCOM and station departments.
Organizes, plans and directs work performed by Budget Division personnel.	Organizes work flow and provides OJ training to newly appointed employees. Manages leave schedules to achieve optimum integration of personal desires and division productivity.	Supervisory review. Number of complaints from higher authority. External audits.
	Supervises all Budget analysis and PACFLEET Productivity reports. 98% of reports, budgets and quarterly financial review data are produced in a timely and accurate manner for delivery to higher authority as specified in NAVSO P-3006.	

Figure IV-13A

Budget Officer (Cont'd)		
Duty Statement	Performance Standard	Measurement
Administers the ISSA's program for the station. Confers with tenant activities regarding drafts and proposals of Inter/Intra Service Agreements.	Establish and maintain a schedule for performing timely reviews and updating of agreements in accordance with DRIS Manual. 95% of reviews are performed in a timely manner.	Supervisory review. External audits, Field assistance visits.
	Monitor the review of incoming funding documents for reimbursable work for completeness and compliance. Issue funding and monitor squadron aviation maintenance expenditure (OFC-50).	
	No more than eight situations per quarter in which funds were "lost" due to expiration date, or incorrect appropriation.	

Figure IV-13B

referred to as job elements. Those job elements considered critical for satisfactory job performance are indicated by an asterisk (*) and are commonly termed critical job elements. The performance standards and measures are based on that individual command's policy, procedures and objectives. Figure V-14 is the coversheet used to ensure all cognizant personnel are aware of the expected performance.

In this author's opinion, this apparent desire to describe a position by as few elements as possible serves no useful purpose. The author feels that the complexity of a job should be taken into account. The oversimplification would not allow for separate consideration of detailed, but less prominent tasks. Small tasks in themselves could be critical to satisfactory performance and should not be buried beneath the more highly visible ones.

F. SUMMARY

The intent of this chapter was to demonstrate the degree of correlation between positions of the same type that are located at different Federal government activities. In order to do this the Navy Comptroller organization was described from the agency level down to specific positions found at the field level. Figure IV-4 summarizes the relationships discussed in this chapter.

The second part of the chapter contained descriptions of various procedures followed at different activities. This

Department Head: I approve the performance standards for
this employee.

Signature

Date

Supervisor: I have discussed the performance standards with
the employee and provided him/her with a copy.

Signature

Date

Employee: The Supervisor has discussed the performance
standards with me and provided me with a copy.

Signature

Date

Figure IV-14

was provided to demonstrate why the need for a flexible, yet standardized, evaluation system exists. The following chapter will demonstrate how a flexible procedure which meets the requirements of the CSRA can be devised by the field activity within standardized guidelines.

V. ANALYSIS, CONCLUSIONS AND RECOMMENDATIONS

A. ANALYSIS

1. General Discussion

The second stage of this thesis established the existence of basic relationships that make the possibility of Navy-wide applications of standardized performance appraisal criteria a viable proposition. The third and final stage requires an examination of the content of the position descriptions (PD's), classification standards and Navy Comptroller (NAVCOMPT) requirements described in the previous chapter. It is at this juncture that these factors can be utilized to deal with the Civil Service Reform Act (CSRA) requirement for the establishment of critical job elements.

The author surveyed the PD's, classification standards and NAVCOMPT requirements for each of the three positions studied in order to develop a list of potential critical job elements for each position. It should be noted that the elements derived in this chapter are not all-inclusive. There will be variation, from activity to activity, due to the previously discussed factors which also cause the difference in PD's. The critical elements derived in this chapter are those that this author considered relevant to a position. The intent of this thesis,

as stated earlier, is to demonstrate how critical elements can be derived.

2. Critical Areas

It is this author's contention that managers need to build or identify target areas in which to assess performance. A complaint which this author has heard voiced repeatedly in the past and again during the course of research for this thesis was that an employee may excel in some areas and be totally lacking of the skill required in others. This tradeoff is sometimes difficult to deal with in evaluating that employee's performance under the present evaluation system. Another version of the same complaint is that a particular person has been "promoted to the level of his or her incompetence." It is generally recognized that an expert technician does not necessarily make a good supervisor, etc., but the promotion system may not allow for anything else. Performance evaluations should, in this author's opinion, be directed at assisting that employee in discovering his or her weak areas. Steps can then be taken through an approach such as Management-by-Objectives (MBO) to remedy the problem.

Figure V-1 illustrates how critical areas for positions are derived. These areas have been determined by comparison of the major job roles required in PD's (column A), areas previously evaluated under the old trait rating system

A	B	C	D
Positions Description Classifications	Performance Evaluation Areas	Interview Areas	Potential Critical Areas
Qualification require- ments of the work	Knowledge required by the position	Knowledge of job and required programs	Knowledge of job and required programs
Major duties and responsibilities	Ability required by the position	Performance of duties	Performance of major duties
Other qualities	Personal attributes	Personal qualities	Personal attributes
Supervision of others	Supervisory ability	Leadership	Supervisory ability
Controls over the position	Managerial/Executive ability	Management support	Management/ Organization Support
EEO	EEO	EEO	EEO

Figure V-1

taken from the standardized evaluation form (column B), and areas of concern when considering a person to fill a position (column C).

Column A basically lists the six major areas of positions which must be described in detail in a PD. The areas are not listed in the same order as they are in an actual PD. Column B lists the major sections of the standard evaluation form, Figure IV-6, in which employees are rated in areas based on traits vice work results. Column C includes six critical areas that are probed during personnel interviews for hiring persons for supervisory positions. This information is based on a formal interview with the Civilian Personnel Office at one of the activities surveyed. Column D lists the terms that this author will use to refer to these areas in the following sections.

It should be noted that no order of priority is involved because failure to achieve success in any one area denotes unfitness for the position, i.e., all areas are equally critical.

3. Critical Elements

After determination of critical areas, the author developed potential critical elements for each of the three positions, supervisory operating accountant, supervisory internal auditor, and budget officer. The procedure used was to determine, in each area, that job element in which

inadequate performance would make the person unfit to hold the position. Inadequate performance would ultimately result in a detrimental effect on the organizational objectives and goals of the division as stated in the NAVCOMPT Manual.

The choice of PD's used to determine critical elements in each category was based on the occupational and job series classification. Only the PD's of the unfootnoted positions in Figure IV-5 were used in determination of the critical elements, i.e., GS-510 series for accounting, GS-510 series for auditor and the GS-560 series for budget officer. The rationale for this is that since the job series are the same, the basic critical elements can be used to evaluate the position regardless of the grade level assigned. Those PD's with the less frequently used (out of the surveyed activities) job and occupational series will not be considered, but should be grouped with more PD's in the same series in order to determine their basic set of critical elements.

The critical job elements, chosen by this author, are determined by their corresponding critical areas and are shown in Figures V-2, 3, and 4. The elements were designed to be stated in simple terms, based on a method used by the Western Regional Training Center of the Office of Personnel Management (OPM). Figure V-5 summarizes a worksheet format.

SUPERVISORY INTERNAL AUDITOR GS-510-xx

Critical Area	Critical Elements
1. Knowledge of job and required programs	Analyze financial systems in accordance with accounting and auditing concepts
2. Performance of major duties	Conduct special studies, analyze and investigate comptroller areas, e.g., financial practices, procedures, records, accounting systems, statements, and reports.
3. Management/Organization support	Provide sound advice and guidance to management officials on correction of unsatisfactory conditions disclosed by audits.
4. Supervisory ability	Direct internal review and audit staff in establishment of audit program design, execution, and evaluation.
5. Personal attributes	Maintain independence of judgment in the conduct of all tasks relating to the job.
6. EEO	Carry out requirements of command EEO program and its related Affirmative Action program.

Figure V-2

SUPERVISORY OPERATING ACCOUNTING GS-510-xx

Critical Area	Critical Elements
1. Knowledge of job and required programs.	Review and interpret concepts of accounting principles and procedures directed by higher authority.
2. Performance of major duties	Conduct day-to-day operations in accordance with principles, policies and objectives of accounting system.
3. Management/Organization support	Advise management on action to avoid violation of accounting principles and requirements.
4. Supervisory ability	Organize, plan and direct work performed by accounting division personnel.
5. Personal attributes	Exercise professional judgment and discretion in regard to suitability of information for use by managers.
6. EEO	Carry out requirements of command EEO program and its related Affirmative Action program.

Figure V-3

BUDGET OFFICER GS-560-xx

Critical Area	Critical Element
1. Knowledge of job and required programs	Interpret financial program guidelines from higher authority.
2. Performance of major duties	A. Control Budget formulation, presentation and execution. B. Perform technical processes involved in budgetary matters, e.g., review, analysis and forecasts of variations and deviations.
3. Management/Organization support	Provide technical guidance and instruction for preparation of budget to all departments and activities.
4. Supervisory ability	Direct the review, compilation, consolidation, preparation and submission of the operating budget.
5. Personal attributes	Maintain cooperation between budget divisions and other departments.
6. EEO	Ensure requirements of command EEO and its related Affirmative Action program are carried out.

Figure V-4

TASK STATEMENT WORKSHEET

EXAMPLE

Performs what action	Verb	Analyzes
To whom or what	Object	New and changing programs
Why? To What?	Expected Output	To identify changes in requirements, transactions, policy and potential problems

Figure V-5

PERFORMANCE ELEMENT: Provide technical guidance and instruction for preparation of budget to all concerned departments and activities.				
Level of Performance	Quality	Quantity	Timeliness	Measurement Method
Fully Successful	Guidance provided to departments is fully consistent with promulgated policy and directives from higher authority	N/A	Within X days of changes to present guidelines, or within X weeks prior to due date for budget submissions.	<ol style="list-style-type: none"> 1. Feedback from other departments/activities. 2. Supervisory review of scheduled training/workshops. 3. Supervisory review of number of complaints from higher authority due to mistakes on the part of department/activity submissions.
Outstanding				

Figure V-6

The number of critical elements per critical area is usually one with the exception of budget officer which has two under "Performance of Major Duties," due to the scope and complexity of the major duties and responsibilities involved in the position.

4. Performance Standards

The performance standards most appropriate for a job element are those designed by the incumbent of the position and his or her superior. The operating programs of some activities are of such a nature that operations become more difficult to a significant degree based on "factors of special difficulty." When these special factors are found in combinations, they can have a marked influence on the grade level of the position assigned [Ref. 84].

When a specific position is assigned a higher grade due to these factors the critical elements do not necessarily change, but the performance standards should be changed to reflect the additional requirements. Minimum acceptable performance standards should also be increased to coincide with the upgraded position. It is this author's contention that the difference in grade level in a particular series may cause a difference in performance standards expected of the individual but not in the basic critical job elements.

In addition to the list of "factors of special difficulties" the classification standards also list various characteristics that a position should include in order to

rate a particular grade level employee. These should also be used in establishing performance standards. In some cases they may affect critical elements. Each activity will need to determine the standards most appropriate for the grade level and type of position held by their employees.

The performance standard for a critical element basically lists the action that is required to ensure that the critical element is suitably performed. The example provided in Figure V-6 is a modification of a standardized format published in OPM's monthly journal Management [Ref. 85]. For demonstration purposes one of the critical elements from Figure V-4 has been used to demonstrate how an element can be evaluated in measurable terms rather than subjective non-quantifiable terms.

B. CONCLUSIONS AND RECOMMENDATIONS

The following conclusions and recommendations were made by this author as the result of analysis of the information presented in the preceding chapters and of the analysis presented in this chapter:

1. The CSRA requires that performance appraisal results be valid as a basis for training, rewarding, reassigning, promoting, reducing in grade, retaining and removing employees. These requirements may be too many for a single system to encompass. As previously stated, several performance appraisal authorities feel that each system should have only

one purpose. This author feels that the burden of that would be too great for the number of requirements the CSRA has for performance appraisal.

One viable alternative would be to have one or more performance appraisal systems that have a common basis for evaluation but can serve different purposes through different formats. The determination of critical elements and performance standards for positions, in quantitative terms, could be used as the basis for each different evaluation system and its specific purpose.

2. No single performance appraisal method, with the exception of MBO, appears to fit all the requirements of the CSRA. The MBO method is highly used in the private sectors; however, the method is highly dependent on the persons administering the program. Another viable alternative is a combination of several performance appraisal systems in what is called a "multi-method" approach. This method could possibly fit the requirements of the CSRA, depending on which systems were involved.

No one system can be called the best suited to the requirements of the CSRA. The decision on which system to use appears to be influenced by factors such as grade level of the job, type of skills required and other job-related factors. A supervisory position could be evaluated by an MBO approach whereas a lower graded staff member might be better evaluated by a rating-scale method.

3. The intent of the CSRA is to decentralize personnel management and allow agencies flexibility in order to improve efficiency and economy. However, the decentralization should not necessarily apply within the agencies unless so specified. The size of some government agencies, such as the Department of the Navy (DON), may preclude different systems at each activity. It would penalize employees by affecting the mobility between activities and upward to higher grade positions. Some form of standardization is required in order to have a comparative basis on which to make required judgments between employees.

4. Classification standards are compiled by OPM for use by all Federal government agencies. They are necessarily written in general terms since they are used to classify all Federal government employees within standard occupational and job series. However, they are narrowly defined enough within specific job series so that positions may be accurately classified.

PD's are written to fit within certain classification standards but are more detailed to suit the specific job and activity. This author found little variation between the PD's for the same positions at different commands. All PD's are required to describe the jobs in terms of specific areas. Since these standards are a common element at all DON activities, they could provide the standardization needed for performance appraisal systems for Navy-wide application.

5. The old method of evaluating performance does not meet the requirements of the CSRA for performance evaluation due to the fact that it is a trait-based or adjectival rating system instead of the performance-based rating system required by the CSRA. Although the evaluation is considered somewhat ineffective at evaluating job performance quantitatively, it still attempted to evaluate various areas of performance such as knowledge of job requirements and supervisory ability. These are basically the same areas that are described in PD's by job performance elements, and are also essential skills required of a person filling a position.

Based on the fact that these areas are more common to jobs than are critical elements, which are based on the scope and complexity of the job, it may be advantageous to determine several standard critical elements in each of these areas to ensure that the whole variety of skills required to perform a job are properly evaluated. The individual activity could then decide which of the critical elements best suited its position. It could also modify the critical element somewhat to allow for any other differences.

6. The survey of activities conducted by this author reveals that commands are attempting to describe positions in terms of just three or four job elements with one or two critical elements. It would appear that this attempt at consolidation obscures elements of performance that may

vary in degree of importance based on the area of the job being evaluated.

This author feels that the attempt to describe a job in as few elements as possible limits the scope of the evaluation and serves no useful purpose. Job elements should be concise so that the meaning is clearly understood; however, as many as required to describe the important aspects of the job should be included.

C. SUMMARY

In Chapter I of this thesis two questions were asked: What are the critical elements of a position that are common to all units within an organization? And how can these elements be used to standardize performance evaluations and still retain the level of flexibility required to promote the goals of the CSRA? In order to answer these questions this thesis has attempted to analyze performance evaluation relative to the CSRA and its requirements. The result of this analysis was then compared to requirements of specific positions within Naval activity comptroller departments to demonstrate how the concepts developed can be applied.

In an organization as large as the Department of the Navy, an organized, methodological approach to performance evaluation should be suggested in order to avoid confusion. It appears that some degree of standardization is required to alleviate this problem. Yet a completely standardized

evaluation system is in direct conflict with the CSRA requirement for flexibility in performance evaluation systems.

This author contends that it is possible to develop a standardized framework, based on critical areas, that can be used to evaluate a position. In this thesis the author has developed this framework and, within it, sets of potential critical elements for three specific positions.

Flexibility in the system can be obtained by adjustment of the critical elements to better fit the position at each activity. The development of performance standards for each critical element, as demonstrated by the author, adds to the flexibility of the system. The onus is on each command to ensure that the required realistic performance standards are set for each position.

APPENDIX A

PERFORMANCE APPRAISAL: A GLOSSARY

(Excerpt from Management, Spring 1980, page 19)

JOB ELEMENTS. The functional components of a particular job, including basic tasks and responsibilities.

CRITICAL JOB ELEMENTS. Job elements of sufficient importance that performance below the minimum standard established by management requires remedial action and denial of a within grade increase and may be the basis for demoting or removing that employee.

PERFORMANCE STANDARD. A measure of level of performance for use in performance appraisal. Performance standards are required for each of a position's job elements. Standards may take into account such factors as quantity, quality timeliness, accuracy, etc.

PERFORMANCE APPRAISAL PERIOD. The period of time established by an agency's performance appraisal system during which an employee's performance is observed in order to make a formal report of it.

PERFORMANCE FEEDBACK. Communication of the results of performance appraisal by the supervisor to the employee. Performance feedback in written form is now required by law at the end of each performance appraisal period, but supervisors are also encouraged to discuss appraisals with employees in person.

POSITION DESCRIPTION. An official written statement of the major duties, responsibilities, required skills and supervisory relationships of a position. A position description describes the job independent of the person doing it., whereas performance standards describe what is to be accomplished by the employee filling the job. Position descriptions may be useful in arriving at a list of job elements for performance appraisal, but their basic function is not evaluative.

APPENDIX B

PERFORMANCE EVALUATION FORMATS

SCOA INDUSTRIES INC. MANAGEMENT PERFORMANCE ANALYSIS		
Confidential When Complete		
Name _____ Birth Date _____ Position _____		
No. of Years in Position _____ Reports To _____		
Analysis Prepared By _____ Date _____ No. Yrs. Supervised _____		
Analysis Reviewed By _____ Date _____ (Supervisor of Appraiser)		
This analysis has been discussed with me _____ Date _____ (Signature of Employee)		
GOAL ACHIEVEMENTS QUANTITATIVE GOALS AND RESULTS		
Describe Goals	Describe Results Achieved	Describe Reasons for Differences
QUALITATIVE GOALS AND RESULTS		
Describe Goals	Describe Results Achieved	Describe Reasons for Differences

Figure B-1



MIDLAND COOPERATIVES, INCORPORATED



PERSONAL PERFORMANCE AND DEVELOPMENT EVALUATION

(For Supervisory, Administrative and Specialist Employees)

This form is designed to tie directly into the Management by Objectives Program. The best measure of employee progress is results on the objectives.

Complete in duplicate. Send both completed and signed copies to Personnel for file. If a copy is desired for the employee, that would need an additional carbon. (Block ink or typewriter, please.)

EMPLOYEE	POSITION	
DEPARTMENT AND DIVISION	YEAR COVERED	SUPERVISOR
OTHER APPROVALS (DIVISION HEAD PERSONNEL ETC.)		

GENERAL APPRAISAL - RESULTS ON OPERATING OBJECTIVES (see other side for details)

Outstanding ☐ Superior ☐ OK ☐ Slipped on Some ☐ Very Disappointing ☐

GENERAL APPRAISAL - RESULTS ON AFFIRMATIVE ACTION OBJECTIVES (see other side for details)

Outstanding ☐ Superior ☐ OK ☐ Below Objectives ☐ Very Disappointing ☐

SIGNIFICANT ACCOMPLISHMENTS NOT INCLUDED IN THE YEAR'S MBO

SUGGESTIONS FOR PERSONAL DEVELOPMENT AND IMPROVED PERFORMANCE

I have had opportunity to discuss and ask questions about my progress and performance at Midland.

Employee Signature

Date

Figure B-2A


I. RESULTS ON OPERATING OBJECTIVES				MIDLAND COOPERATIVES, INCORPORATED					
NO.	OBJECTIVES	WHAT WAS ACCOMPLISHED	RESULTS			SCHEDULED	ACTUAL	ACHIEVED	
			+	OK	-	COMPLETION	COMPLETION	TIMING	
						DATE	DATE		
II. RESULTS ON AFFIRMATIVE ACTION OBJECTIVES									

Figure B-2B

PERFORMANCE PLANNING AND REVIEW								
I. RELATIVE IMPORTANCE	II. PERFORMANCE OBJECTIVES	III. TARGET DATES	IV. PERIODIC PROGRESS REVIEW. NOTE PROGRESS MADE, SPECIAL PROBLEMS! & DATES OF PROGRESS REVIEW	V ACTUAL RESULTS ACHIEVED	VI. RATING			
					O	G	S	U

O - FAR EXCEEDED OBJECTIVES
 G - ACHIEVED DESIRED OBJECTIVES
 S - IMPROVEMENT NEEDED
 U - UNSATISFACTORY
 OVERALL RATING

--	--	--	--

Figure B-3

List the maintenance objectives that have been set for this individual for the rating period. These objectives should reflect the basic responsibilities of the position or assignment that are usually reflected in the position description. Rate each objective at the end of the rating period on the basis of results achieved.

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.[illegible]

List additional objectives that should contribute to improvement and effectiveness of area operations. They could be termed "plus" or "stretch" objectives, but the important consideration is that they bring an added dimension to the effectiveness of the position or assignment. Quantify when possible. Rate each objective at the end of the rating period on the basis of results achieved.

[illegible][illegible]

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Please be specific in answering the following:

1. What is your evaluation of this officer's ability to perform the technical aspects of his position as distinct from the factors which follow?

2. What is your evaluation of his management skills? (His ability to plan, organize, delegate, develop and motivate subordinates, use time effectively, promote inter- and intradepartmental cooperation, improve systems and procedures, make decisions.)

Figure B-5

Performance Development & Evaluation - Salaried Employees

Employee's Name: _____ Date of Hire _____

Job Title: _____ Job Grade and Code _____

This evaluation covers the period from _____ to _____
(Date) (Date)

1. Evaluation: (Comments on individual's performance in regard to goals previously set, measuring factors such as quality, quantity, creativity and suggestions, attendance, waste, staying on schedule, etc.)

Figure B-6A

2. Areas where improvement is needed and suggestions for attainment:
(Including use of company sponsored programs; i.e., Tuition Aid,
the Affirmative Action Program, etc.)
3. Other remarks: (Attitude, appearance, cooperation, etc.)
4. For the time period covered by this evaluation the employee's performance has
been:
- | | |
|--|---|
| <input type="checkbox"/> Highly Satisfactory | <input type="checkbox"/> Satisfactory |
| <input type="checkbox"/> Below Expected Levels | <input type="checkbox"/> Unsatisfactory |
5. Employee comments (if any):
6. Goals and results to be attained and measured for new period (mutually agreed
to, realistically attainable, measurable)
- Supervisor's Signature: _____ Reviewed By: _____
- Employee's Signature: _____ Date: _____

Figure B-6B

SUPERVISOR'S ASSESSMENT SAMPLE FORM

These are areas of performance which tend to be of particular significance in most positions. You may add any applicable information to this assessment. Indicate your assessment of performance in terms of these items. Cite specific examples. When assessing supervisory personnel, orient remarks toward supervisory responsibilities of the position.

<p>TECHNICAL EFFECTIVENESS</p> <ul style="list-style-type: none"> ■ application of fundamentals and specialized techniques ■ awareness of recent developments ■ sensitivity to problems and facility for resolution ■ technical breadth and versatility ■ level of respect gained by technical decision making ■ recent efforts to implement technical capability 	<p>Comments and Observations:</p> <p><i>These should be made in consideration of established duties and responsibilities (objectives). Avoid discussion of traits or characteristics that are not related to objectives. Use specific examples, when possible, to prove points.</i></p>
<p>SCHEDULE EFFECTIVENESS</p> <ul style="list-style-type: none"> ■ attitude toward importance of maintaining schedule ■ sensitivity to developments that may lead to delay 	
<p>COST EFFECTIVENESS</p> <ul style="list-style-type: none"> ■ awareness of importance of cost in quality-schedule-cost cycle ■ direct contributions to cost reduction effort 	
<p>POSITION EFFECTIVENESS</p> <ul style="list-style-type: none"> ■ willingness to make decisions ■ soundness of recommendations and decisions ■ need for specific instruction ■ initiation of action ■ follow through to conclusion ■ origination of new or improved concepts, methods, techniques, procedures ■ effectiveness in establishing rapport and securing support ■ effectiveness in influencing others ■ effectiveness of preparation for and organization of work ■ knowledge of procedure ■ degree to which reliance may be placed on effort ■ effectiveness of speech and writing ■ regard for company objectives and policy ■ responsiveness to the requirements of the work situation ■ evidence of respect of others for appraiser's decisions 	<p><i>All items in this left-hand column are to be considered only as suggestions. You may want to add to the list or delete some items. But be specific, citing examples whenever possible.</i></p>

Figure B-7

LEVEL OF PERFORMANCE BY PERFORMANCE-BASED CRITERIA

Criteria	Level of Performance		
	Outstanding	Superior	Competent
Production as a percentage of budget ("Quality of Work")	120% or more	110% - 120%	100% - 110%
	.05% or less Anticipates problems and takes preventive action.	.05% - 1% Recognizes source of all problems and can take corrective action.	1% - 2% Recognizes source of most problems and is able to correct using standard procedures.
Percentage of jobs shipped on time	100%	98%	95%
Supervision	Subordinates are well trained and motivated; team effort evident; no wasted effort.	Subordinates are trained and motivated individually but not working as a team; occasional duplication of effort	Subordinates are trained but not working together as a team; occasional duplication of effort.

Figure B-8

1/

Excellent Performance	7	By knowing the strengths of each subordinate, this manager can be expected to utilize their collective expertise on all departmental problems.
Good Performance	6	You can expect this manager to be aware of progress that each subordinate is making toward goal achievement.
Satisfactory Performance	5	When necessary, this manager can be expected to work overtime to finish a project on time.
Average Performance	4	This manager lends his or her expertise to a problem only in emergency situations.
		This manager can be expected to give assistance only after his or her own work has been completed.
Below Average Performance	3	This manager can be expected to have other subordinates orient new employees.
Poor Performance	2	When working with subordinates, this manager can consistently be expected to ridicule and insult them.
		When subordinates are working independently, this manager can be expected to interrupt and otherwise disrupt their work.
Unacceptable Performance	1	

1/ This exhibit, while not an actual company document, illustrates the use of precise statement of behavior to "anchor" specific points on a scale.

Figure B-9

PERSONAL DEVELOPMENT

CONFIDENTIAL

Name _____ Job Title _____

Division _____ Unit Number _____ Employment Date _____

To be conducted by the immediate supervisor. Copies to be retained by the individual being reviewed and the supervisor. One copy to be forwarded to the Employee Relations Unit of the Personnel Division.

SECTION I - PERFORMANCE REVIEW

Review Ratings:

1. Consistently exceeds normal requirements.
2. Consistently meets and often exceeds normal requirements.
3. Consistently meets normal requirements.
4. Does not always meet normal requirements. Lacks consistency.
5. Very seldom meets normal requirements.

NA - Not Applicable

The individual should be evaluated on each of the characteristics listed below. The space under each characteristic must be used for additional comments if the rating circled is other than "3".

Job Knowledge: 1 2 3 4 5 NA

Understanding and knowledge of all phases of the work and related matters.

Comments: _____

Figure B-10A

Quality of Work:	1	2	3	4	5	NA
Thoroughness, acceptability, accuracy, etc., of work.						
Comments: _____						

Volume of Work:	1	2	3	4	5	NA
Quantity of acceptable work.						
Comments: _____						

Dependability:	1	2	3	4	5	NA
Reliability in following through on responsibilities, assignments and instructions.						
Comments: _____						

<u>FOR THOSE INDIVIDUALS WITH SUPERVISORY RESPONSIBILITY</u>						
Personnel Policy:	1	2	3	4	5	
Knowledge of and effectiveness in applying personnel policies and procedures.						
Comments: _____						

Affirmative Action Efforts:	1	2	3	4	5	
Degree of sincerely attempting to hire, transfer and promote minorities and women.						
Comments: _____						

Affirmative Action Results:	1	2	3	4	5	
Degree to which goals are achieved and good overall employee relations are maintained.						
Comments: _____						

Leadership:	1	2	3	4	5	
Ability to inspire teamwork, confidence, productivity and high morale.						
Comments: _____						

<u>OVERALL PERFORMANCE RATING</u>	1	2	3	4	5	
(This rating is not determined by finding the numerical average of the preceding ratings. Varying degrees of importance should be placed on these factors measuring performance in a given job. The overall performance rating represents a composite of your opinion, judgment and impressions of this person's performance.)						

Figure B-10B

6

Use Ballpoint Pen Only

Page 1

Management Employee Evaluation (CONFIDENTIAL)

Date of Evaluation:

Name: (Last) (First) (Middle)			Position Title:		
Department:		Location:		Time at Present Position: Yr. (s) Mo. (s)	

EVALUATE EMPLOYEE'S PERFORMANCE ON PRESENT POSITION BY CHECKING MOST APPROPRIATE SQUARE. USE THE "REMARKS" SECTION FOR SIGNIFICANT COMMENTS.

Knowledge of Work: Understanding of all phases of work and related matters including quality.	Needs Instruction or Guidance <input type="checkbox"/>	Has Required Knowledge of Own and Related Work <input type="checkbox"/>	Has Exceptional Knowledge of Own and Related Work <input type="checkbox"/>	Remarks:
Planning and Organizing: Ability to plan ahead so as to make most effective use of personnel, materials, time and equipment.	Needs Frequent Help <input type="checkbox"/>	Normally Plans and Organizes <input type="checkbox"/>	Very Effective under All Conditions <input type="checkbox"/>	Remarks:
Analytical Ability and Judgment: Ability to solve a problem, put and evaluate facts, and reach valid conclusions.	Normally Requires Assistance <input type="checkbox"/>	Generally Analyzes Problems and Uses Judgment <input type="checkbox"/>	Outstanding Analytical Ability and Judgment <input type="checkbox"/>	Remarks:
Initiative: Ability to originate or develop ideas and to get things started. Works to improve self and job.	Lacks Imagination <input type="checkbox"/>	Generally Shows Independent Thought <input type="checkbox"/>	Exceptionally Resourceful <input type="checkbox"/>	Remarks:
Dependability: Reliability in following through with responsibilities and ability to accept assignments and instructions.	Requires more than Normal Followup <input type="checkbox"/>	Dependable and Thorough on Most Assignments <input type="checkbox"/>	Exceptional in All Assignments <input type="checkbox"/>	Remarks:
Safety: Where applicable: Understanding of safe working practices and procedures. Influences on others to follow safe practices.	Does Not Demonstrate a Safety Awareness Attitude <input type="checkbox"/>	Regularly Follows Safe Work Practices <input type="checkbox"/>	Exceptional Knowledge and Application <input type="checkbox"/>	Remarks:
Cooperation: Ability to get along with others; work with others; cooperation, tact, sympathy and courtesy.	Reluctant to Work with Others <input type="checkbox"/>	Is Satisfactory Team Worker <input type="checkbox"/>	Works Effectively With Others to Best Interest of All <input type="checkbox"/>	Remarks:
Development of Others: Recognition and development of the abilities and capacities of others.	Contributes Little to Their Development <input type="checkbox"/>	Seeks to Develop the Potential of Others <input type="checkbox"/>	Very Capable and Active in Developing His People <input type="checkbox"/>	Remarks:
Delegation: Ability to delegate work and assign corresponding responsibility and authority.	Should Be Increased <input type="checkbox"/>	Generally Makes Work Assignments to Others <input type="checkbox"/>	Effectively Delegates Whenever Possible <input type="checkbox"/>	Remarks:
Communications: Ability to express ideas both verbally and in writing.	Needs Improvement <input type="checkbox"/>	Generally Able to Express Thoughts <input type="checkbox"/>	Very Capable as a Communicator <input type="checkbox"/>	Remarks:
Volume of Work: Produces acceptable quantity of work.	Should Be Increased <input type="checkbox"/>	Meets Assigned Standards <input type="checkbox"/>	Exceptionally High Output <input type="checkbox"/>	Remarks:
Loyalty: Supports company policies and management decisions.	Indifferent. Sometimes Critical <input type="checkbox"/>	Shows Average Enthusiasm <input type="checkbox"/>	Enthusiastic at All Times <input type="checkbox"/>	Remarks:

Figure B-11

Republic National Life Insurance Company

REPUBLIC NATIONAL LIFE INSURANCE COMPANY

DALLAS, TEXAS

AVERAGE SCORE
ALL FACTORS: _____

PERSONNEL PERFORMANCE RATING

NAME		DIVISION OR DEPARTMENT				SECTION			
JOB CLASS		DATE ASSIGNED TO PRESENT JOB				EMPLOYMENT DATE			
						JOB NUMBER			

CAREFUL CONSIDERATION MUST BE GIVEN IN ANSWERING THE FOLLOWING:

SECTION A

1. QUALITY OF WORK: Appraise the success in executing errors, omissions, etc.

1	2	3	4	5	6	7	8	9	10
Quality of work fails below normal requirements.	Quality meets minimum requirements; some errors, omissions, etc.	Quality is satisfactory. Only a minimum number of errors and omissions.	Quality exceeds normal requirements.	Consistently turns out highest quality of satisfactory work.	Exceptional.				

Consider economy, work produced under pressure, etc.

COMMENTS:

2. QUANTITY OF WORK: Appraise the output of comparable work.

1	2	3	4	5	6	7	8	9	10
Quantity falls below minimum requirements.	Quantity meets minimum requirements.	Quantity is satisfactory.	Consistently turns out superior quantity of satisfactory work.	Consistently turns out superior quantity of work.	Exceptional.				

Indicate how pressure affects quantity, etc.

COMMENTS:

3. INDUSTRY: Indicate willingness to work and assume responsibility.

1	2	3	4	5	6	7	8	9	10
Other lists no energy, never assumes responsibility. Needs prodding.	Occasionally lists. seldom assumes responsibility.	Satisfactory effort, energy. Consistently assumes responsibility.	Superior attendance. Unusual energy, drives readily assumes responsibility.	Excellent industry, energy, drive. Assumes responsibility.	Exceptional.				

Indicate reasons for lack of energy, high attendance, etc.

COMMENTS:

4. DEPENDABILITY:

1	2	3	4	5	6	7	8	9	10
Cannot be depended on to do assigned tasks. Needs constant supervision.	Occasionally dependable assigned tasks. Not very dependable. Needs close supervision.	Can be depended on for routine tasks. Needs average amount of supervision.	Can be depended on in most cases. Needs little supervision.	Can be depended on regardless of task. Needs no supervision.	Exceptional.				

Indicate compensation and other such requirements.

COMMENTS:

5. ATTITUDE AND ABILITY: Indicate how well equipped individual is in the skills necessary for his job.

1	2	3	4	5	6	7	8	9	10
Considerable training needed. Capabilities limited to mere execution of job.	Has minimum experience of work, needs improvement. Additional experience and training.	Satisfactory knowledge of work, capable of doing most aspects of job. Some knowledge of related work.	Has superior skills. Capable of filling in. Helping others in related tasks. Flexible.	Has mastery of skills. Capable of filling in all phases within his grade.	Exceptional.				

INDICATE TEACHABILITY:

COMMENTS:

6. COOPERATION: How well does individual blend with co-workers. Indicate willingness to work, etc.

1	2	3	4	5	6	7	8	9	10
Frequently at odds with others. Ignores feelings of others.	Sometimes fails to recognize personal role in cooperative efforts. Occasionally overlooks person's feelings.	Satisfactory participation. Cooperative efforts. Well accepted by others.	Superior cooperation by others, and good participation in cooperative efforts.	Outstanding cooperation by others. Highest level in cooperative level.	Exceptional.				

Indicate any other cooperative characteristics and examples.

COMMENTS:

7. PERSONALITY: What impression has this employee created among fellow employees.

1	2	3	4	5	6	7	8	9	10
Employee is disliked and disliked by fellow employees.	Frequently has quarrels and misunderstandings with fellow employees.	Seldom has any disputes with fellow employees.	Very seldom has disputes with others.	Never has trouble. Well liked.	Exceptional.				

COMMENTS:

Figure B-12A

Republic National Life Insurance Company (continued)

(SECTIONS B AND C TO BE COMPLETED ONLY WHEN APPLICABLE. FOR EXAMPLE, THIS PORTION SHOULD BE COMPLETED FOR ANY SUPERVISORY PERSONNEL. SECTION D TO BE COMPLETED FOR ALL EMPLOYEES.)

SECTION B

	1	2	3	4	5	6	7	8	9	10	
1. LEADERSHIP: To what extent does he hold the respect and confidence of his subordinates.	Secures instant cooperation of subordinates. Does not have full control.	Has low degree of respect and confidence of subordinates. Methods get results.	Succeeds in getting respect and confidence of subordinates and others. Gets results without undue friction.	Leads people very capably. Results consistently good. Inspires confidence.	Outstanding, superior, inspiring, and forceful.	Exceptional.					
COMMENTS:											
2. UTILIZATION OF SUBORDINATES: Consider various in delegation of authority and proper placement.	Seldom delegates authority. Sometimes delegates authority in wrong areas.	Does not always recognize and take advantage of opportunities of subordinates.	Successful in making assignments and delegating authority under normal conditions.	Successful under normal and unusual conditions. Superior ability.	Shows outstanding powers of delegation.	Exceptional.					
COMMENTS:											
3. DEVELOPMENT OF SUBORDINATES: Consider to what extent he recognizes potential and develops the possibilities of others.	Sometimes fails to recognize potential in subordinates. Displays no interest in developing them.	Makes a few effort to improve subordinates and is moderately successful.	Recognizes potential in subordinates and is successful in their training and development.	Shows superior ability in developing subordinates for advancement. Quickly recognizes latent abilities.	Usually successful in recognizing latent abilities of subordinates. Advances them in own group. Frequently recommends transfers.	Exceptional.					
COMMENTS:											

SECTION C

	1	2	3	4	5	6	7	8	9	10
4. CREATIVENESS: Consider the number and the quality of new and original ideas produced by this man which result in his job and RNL.	Idea usually not practical or useful.	Constructs some good ideas.	Idea generally good and usually adapted.	Has advanced many superior ideas and occasionally some outstanding ones.	Especially prolific concerning practical and useful ideas, most of which are very good.	Exceptional.				
COMMENTS:										

SECTION D

1. IN AREA WHERE EMPLOYEE SCORED LESS THAN "5," INDICATE WHAT MEASURES ARE BEING TAKEN TO IMPROVE HIS OR HER PERFORMANCE.

1. QUALITY OF WORK _____
2. QUANTITY OF WORK _____
3. INDUSTRY _____
4. DEPENDABILITY _____
5. ATTITUDE _____
6. COOPERATION _____
7. PERSONALITY _____

2. DO YOU CONSIDER THIS EMPLOYEE CAPABLE OF FUTURE ADVANCEMENT? IF YES, GIVE REASONS.

3. WHAT IS EMPLOYEE DOING TO PREPARE FOR ADVANCEMENT?

4. HAVE YOU FORMULATED PLANS FOR HELPING THIS EMPLOYEE IMPROVE HIS OR HER PERFORMANCE? IF SO, PLEASE INDICATE.

COMPLETED BY _____	DATE _____
INTERVIEWED BY _____	DATE _____
REMARKS: INDICATE RESULTS OF INTERVIEW WITH EMPLOYEE.	
SIGNED _____	DATE _____
EMPLOYEE _____	

Figure B-12B

A.H. Robins Company

A-H-ROBINS

PERFORMANCE APPRAISAL AND DEVELOPMENT PLAN

EMPLOYEE'S NAME _____ POSITION TITLE _____

DEPARTMENT _____ DATE APPOINTED TO PRESENT POSITION _____

COVERING PERIOD FROM _____ 19 _____ TO _____ 19 _____

INSTRUCTIONS

The purposes of the Performance Appraisal and Development Plan are to provide, as objectively as possible, a guided method for reviewing how well the employee listed above is performing in his job, to review accomplishments since his last review, to appraise his potential for possible greater responsibility, and to discuss a suggested development plan that will encourage him to strive toward improved performance.

Place a check mark on the middle line of the most applicable block in each appraisal factor which best describes the performance level—or on the appropriate line between if appraisal on any item is intermediate. The comment portion is to be used to describe examples, facts, accomplishments, or lack of, to support your judgment.

(Appraise only those factors applicable)

	UNSATISFACTORY	MARGINAL PERFORMANCE	ACCEPTABLE PERFORMANCE	MORE THAN ACCEPTABLE PERFORMANCE	OUTSTANDING PERFORMANCE
PLANNING AND ORGANIZING					
Demonstrated performance in anticipating needs, determining priorities, establishing courses of action, organizing and scheduling total activities so as to achieve desired objectives.					
COMMENT					
ECONOMY					
Actual results in meeting and reducing cost and expense objectives and exercising economy in the utilization of available resources contributing toward improved profit position.					
COMMENT					
INNOVATION					
Demonstrated performance in exercising original thinking; ingenuity and initiative taken to introduce new ideas or courses of action. Consider creative, acceptable contributions to a project, products, new methods, techniques, and processes.					
COMMENT					

Figure B-13A

A. H. Robins Company (continued)

COMMENT

PRODUCTIVITY

Demonstrated results regarding the amount of work accomplished, and in meeting deadlines, schedules, assignments, and projects. Consider the ability to execute and follow through to completion, including the degree to which employee accomplishes specified job duties, responsibilities, and objectives.

COMMENT

QUALITY

Actual results with regard to the caliber of work produced compared with acceptable standards. Consider accuracy, thoroughness and dependability of results of reports, projects, records, and assignments.

COMMENT

LEADERSHIP

Demonstrated performance in working through people; in gaining loyalty, respect and support from subordinates, and in administering, directing, and controlling the work in his area of responsibility effectively. Consider the amount of decisiveness, dependability, and perseverance shown.

COMMENT

DEVELOPMENT OF
SUBORDINATES

Demonstrated performance in developing and training subordinates, and effective delegation of responsibility and authority to increase their competence in their present position. Consider the ability to inspire in others the desire to achieve objectives.

COMMENT

Figure B-13B



EMPLOYEE PERFORMANCE REVIEW KEY

OF ARIZONA

1 INITIATIVE: THE DEGREE TO WHICH THE EMPLOYEE ACTS INDEPENDENTLY IN NEW SITUATIONS; THE EXTENT TO WHICH THE EMPLOYEE SEES WHAT NEEDS TO BE DONE AND DOES IT WITHOUT BEING TOLD.

SUPERIOR A	GOOD B	ACCEPTABLE C	IMPROVEMENT NEEDED D	UNSATISFACTORY E	F	G
90 - 100%	75 - 89%	61 - 70%	51 - 60%	41 - 50%		
Little or no supervision needed. Highly independent and aggressive.	Thinks and acts independently. Responsible in new situations.	Initiative is satisfactory. Requires average supervision.	Requires frequent instruction. Needs close supervision.	Must be told everything to do. Tends to get things wrong.	UNABLE TO PERFORM	Unsatisfactory

2 PRODUCTIVITY: THE ACTUAL WORK OUTPUT OF THE EMPLOYEE RELATIVE TO OTHER EMPLOYEES. CONSIDER WHAT THE EMPLOYEE ACTUALLY PRODUCES RATHER THAN WHAT THE EMPLOYEE MAY BE CAPABLE OF PRODUCING.

SUPERIOR A	GOOD B	ACCEPTABLE C	IMPROVEMENT NEEDED D	UNSATISFACTORY E	F	G
Deliveries a top production.	Produces more than most. Above average.	Average output consistently meets regular projects.	Low output, below average.	Extremely low output. Productivity not acceptable.	UNABLE TO PERFORM	Unsatisfactory

3 QUALITY: FREEDOM FROM ERRORS AND MISTAKES; ACCURACY; QUALITY OF WORK IN GENERAL.

SUPERIOR A	GOOD B	ACCEPTABLE C	IMPROVEMENT NEEDED D	UNSATISFACTORY E	F	G
Highest possible quality. No product virtually perfect.	Quality above average, few errors and mistakes.	No more errors or slips than the expected quality of quantity of production.	Makes only minimum errors. Improvement needed.	Excessive errors and mistakes. Very poor quality.	UNABLE TO PERFORM	Unsatisfactory

4 EFFORT: THE DEGREE TO WHICH THE EMPLOYEE USES THE BEST TO BE A TOP EMPLOYEE (WITHOUT REGARD TO HOW EFFECTIVE THE EMPLOYEE MAY BE). CONSIDER CONSCIENTIOUSNESS AND MOTIVATION.

SUPERIOR A	GOOD B	ACCEPTABLE C	IMPROVEMENT NEEDED D	UNSATISFACTORY E	F	G
Intensely motivated. Exerts maximum effort.	Exerts more effort than most. A hard worker.	Satisfactory effort. Average motivation level.	Low motivation. Could perform much better than he or she does.	Exerts effort only when the supervisor is forced to do so.	UNABLE TO PERFORM	Unsatisfactory

5 DEPENDABILITY: THE EXTENT TO WHICH THE EMPLOYEE CAN BE DEPEND UPON TO BE AVAILABLE FOR WORK AND TO DO IT PROPERLY. THE DEGREE TO WHICH THE EMPLOYEE IS RELIABLE, TRUSTWORTHY AND PERSISTENT.

SUPERIOR A	GOOD B	ACCEPTABLE C	IMPROVEMENT NEEDED D	UNSATISFACTORY E	F	G
Consistently reliable. In work situation, always a reliable and good to be depended upon.	More reliable than average. Usually carries on duty of full responsibility.	Trustworthy and persistent. Meets average standard. About average in dependability.	Sometimes unreliable. Does not carry responsibility satisfactorily.	Usually unreliable. Does not carry responsibility. Poor to poor.	UNABLE TO PERFORM	Unsatisfactory

6 JOB KNOWLEDGE: KNOWLEDGE OF THE TECHNIQUES, PROCESSES, PROCEDURES, PRODUCTS, EQUIPMENT AND MATERIALS REQUIRED TO DO THE JOB.

SUPERIOR A	GOOD B	ACCEPTABLE C	IMPROVEMENT NEEDED D	UNSATISFACTORY E	F	G
Has more than adequate knowledge of the job and all related matters.	Well informed. Good knowledge of the job and related matters.	Satisfactory knowledge of the job and all related matters.	Needs much instruction for the job.	Lacks knowledge to do the job properly.	UNABLE TO PERFORM	Unsatisfactory

WHEN THE EVALUATION INTERVIEW IS COMPLETE, THIS COVER SHEET SHOULD BE GIVEN TO THE EMPLOYEE FOR THEIR RECORDS. EACH SECTION SHOULD BE APPROPRIATELY ANNOTATED AS PER THE EVALUATION. SIDE 1

NOTICE: RATE ON ITEM 13 ONLY IF THE EMPLOYEE HAS BEEN DOING SUPERVISORY WORK.

13 SUPERVISION: EFFECTIVENESS IN PLANNING, ORGANIZING, DELEGATING, AND CONTROLLING THE WORK OF SUBORDINATES AND WINNING THEIR COOPERATION. GENERAL EFFECTIVENESS IN GETTING WORK DONE THROUGH SUBORDINATES.

SUPERIOR A	GOOD B	ACCEPTABLE C	IMPROVEMENT NEEDED D	UNSATISFACTORY E	F	G
Has mastered the art of supervision. Gets maximum work done through subordinates with minimum effort.	Above average in getting work done through subordinates.	Effective in supervising others. Gets work done through subordinates.	Has difficulty as a supervisor. Needs improvement.	Lacks ability to supervise others. Needs improvement.	UNABLE TO PERFORM	Unsatisfactory

Figure B-14

Vornado, Inc.
PERSONNEL

Vornado MANAGEMENT PERFORMANCE APPRAISAL

EMPLOYEE NAME	SOCIAL SECURITY #			CURRENT JOB TITLE	DATE OF HIRE	TIME POSITION
LOCATION NAME	SUPERVISOR NAME	PERIOD OF REVIEW		FROM	TO	<input type="checkbox"/> ANNUAL

RANKING FACTORS

2. **OUTSTANDING PERFORMANCE:** FAR EXCEEDS JOB STANDARDS. Outstanding production. Turns in great performance. (Formerly excellent worker rarely makes errors. Consistently understands the requirements and duties of assigned job. Fully capable in performing, handling, maintaining assignments.)

3. **HIGHLY EFFECTIVE PERFORMANCE:** CONSIDERABLY ABOVE STANDARDS. Consistently above average production. Organized in work assignments and able to coordinate and direct. Frequent awards of merit. Handles assignments with minimum amount of direction. Consistently demonstrates in assignments. Requires minimum of supervision to do job.

4. **EFFECTIVE PERFORMANCE:** MEETS ALL JOB STANDARDS. Output is consistent with job standards on most assignments. Work assignments are completed with a minimum amount of time. Fully responsible and makes suggestions with regard to improvement. May require assistance on non-routine assignments.

5. **CONDITIONALLY ACCEPTABLE:** GENERALLY MEETS MANY JOB STANDARDS. Requires additional supervision to complete assignments. Sometimes fails to meet job standards. Quantity and quality requires additional counseling, training, and experience to meet job standards of some areas of job assignments. Does not always turn in assignments.

6. **INADEQUATE PERFORMANCE:** FREQUENTLY BELOW STANDARDS. Organized assignments poorly. Work assignments contain most essential quality to quality standards. Does not perform full scope of job responsibilities.

A. MANAGEMENT SKILLS

1. **Planning and Organizing** - Develops sound plans for operation within guidelines of policy and statistical data. Delegates work systematically so that subordinates understand assignment allocation, even in absence of supervision. 0-5 (E/C/N)
2. **Interpretation** - Initiates change in operation based on sound planning and wise use of resources available. 0-5 (E/C/N)
3. **Controlling** - Has developed systematic and efficient methods for keeping track of all activities for which responsible. Has set standards and defined exceptions for operation so subordinates know under which circumstances to report for special instructions and help. 0-5 (E/C/N)
4. **Communication** - Gives instructions, both oral and written, which result in prompt and accurate performance by subordinates and associates. Gives advice and written communications accurately, clearly and writes clearly and concisely. 0-5 (E/C/N)
5. **Meetings** - Generates cooperation and creative initiative from both subordinates and associates, encourages free discussion and is in aware of subordinates attitudes and problems. 0-5 (E/C/N)
6. **Developing Subordinates** - Selects, trains and develops subordinates so that they can function effectively with a high degree of versatility and independence and without close supervision. Identifies potential in subordinates and recommends developmental guides toward future. 0-5 (E/C/N)

Relevant comments (Any factors rated Outstanding or less than Conditionally Acceptable require comments):

B. PERFORMANCE

1. **Job Knowledge** - How well does the Manager know all aspects of position? 0-5 (E/C/N)
 What areas require improvement and specific action planned to improve effectiveness?

2. **Performance** - What is your evaluation of the Manager's Ongoing Performance? 0-5 (E/C/N)
 What areas require improvement and specific action planned to improve effectiveness?

C. PERSONAL EFFECTIVENESS

1. **Creative Thinking & Alertness** - Ability to grasp new ideas and deal with situations. 0-5 (E/C/N)
2. **Decision Making** - Analyzes problems effectively and determines appropriate action for their solution. 0-5 (E/C/N)
3. **Creativeness** - Formulates original ideas. Has an inquiring mind. Shows imagination and originality. 0-5 (E/C/N)
4. **Initiative** - Demonstrates self-starting ability in all aspects of job. Has necessary drive to achieve goals. Reluctantly ambitious. 0-5 (E/C/N)
5. **Capacity to Work** - Demonstrates ability to work for sustained periods of time. Works well under pressure. Produces results. 0-5 (E/C/N)
6. **Enthusiasm** - Shows high degree of interest in carrying out all job functions. 0-5 (E/C/N)
7. **Versatility** - Ability to handle a variety of projects or responsibilities simultaneously. 0-5 (E/C/N)
8. **Self-Control** - Steady and well-balanced under pressure. Does not transmit tensions of job to subordinates. 0-5 (E/C/N)
9. **Positive Attitude** - Identifies with Vornado, its goals and purposes. Demonstrates team spirit. 0-5 (E/C/N)

Comments regarding the above characteristics to include business ethics, personal behaviors, and other subjects relative to personal effectiveness.

Figure B-15

A Manufacturing Company

Name _____ Location & Dept. _____

Position Title _____ Date _____

INSTRUCTIONS

(1) The employee should be reviewed on each of the factors below in relation to the present position. For each of these factors, check the box which reflects most typically the employee's performance.

(2) Some factors are particularly significant in certain positions. Circle the three factors which are *particularly important in reviewing an employee in this position*.

Group	Factor Number	Factor	Low 1	2	3	4	High 5
Position Performance	1	Position knowledge	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	2	Analytical ability and judgment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	3	Planning and execution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	4	Acceptance of responsibility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	5	Dependability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	6	Creative thinking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Personal Performance	7	Relationship with others	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8	Attitude	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	9	Emotional stability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	10	Health	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Supervisory Performance	11	Delegation of Responsibility and Authority	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	12	Personnel handling, Leadership and Development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Figure B-16

A Manufacturing Company

ANNUAL EMPLOYEE EVALUATION SUMMARY

Name _____ Date _____

Position _____ Date Appointed _____ Salary Group _____

Division/Department/Location _____

ANALYSIS OF PERFORMANCE: Using the scale definitions shown below under Overall Rating of Performance, indicate your appraisal of the employee on each of the factors listed below by checking the appropriate box under each factor. Use the space provided under each factor for any explanatory comments you may wish to provide.

Accomplishments — Consider results achieved by the employee in terms of quantity, accuracy, thoroughness and timeliness, and indicate the employee's level of effectiveness in completing agreed to tasks and/or objectives.

☐ RE ☐ CE ☐ MR ☐ MM ☐ FM ☐ ? ☐ NA

Organization — Consider the employee's effectiveness in ordering and completing tasks according to priority, keeping records current, providing support data when needed, and indicate the employee's level of effectiveness in planning and organizing work.

☐ RE ☐ CE ☐ MR ☐ MM ☐ FM ☐ ? ☐ NA

Job Knowledge — Consider the employee's skills and grasp of work and procedures and indicate the level of the employee's job knowledge and effectiveness in applying this knowledge.

☐ RE ☐ CE ☐ MR ☐ MM ☐ FM ☐ ? ☐ NA

Independent Action — Consider the employee's ability to work with little or no supervision and indicate the level of effectiveness in taking independent action.

☐ RE ☐ CE ☐ MR ☐ MM ☐ FM ☐ ? ☐ NA

Key Results Area — Describe briefly how the employee contributes to work unit's objectives.

OVERALL RATING OF PERFORMANCE: Taking all significant factors into consideration (Accomplishments, Organization, Job Knowledge, Independent Action) along with any special circumstances which may have helped or hindered the employee, check one of the following: (Note: Use + or - where appropriate.)

<input type="checkbox"/> RE Rarely equaled in exceeding job requirements.	<input type="checkbox"/> FM Fails to meet job requirements.
<input type="checkbox"/> CE Clearly exceeds job requirements.	<input type="checkbox"/> ? Undetermined: insufficient knowledge.
<input type="checkbox"/> MR Meets all job requirements and all expectations.	<input type="checkbox"/> NA Not applicable.
<input type="checkbox"/> MM Meets minimum job requirements.	

Figure B-17

EMPLOYEE DEVELOPMENT ANALYSIS

(For Employees with Supervisory or Managerial Responsibilities)

Review _____
Date _____

INSTRUCTIONS

Instructions to Employee:

In the column to the left of each factor place the number (weighting factor) which indicates your judgment of this factor's importance to the successful performance of your job.

Instructions to Supervisor:

In the column to the left of each factor place the number (weighting factor) which indicates your judgment of this factor's importance to the successful performance of the incumbent's job.

WEIGHTING FACTORS

(A number may be used more than once)

1. Absolutely critical to success on the job
2. Important but not critical
3. Not really important to success on the job

Instructions to Employee and Supervisor:

After weighting the factors, place an A (Actual) on the continuum for each factor to indicate the developmental level actually achieved and a D (Desired) to indicate how much development remains to be achieved with regard to that particular factor. (Assumption here is that it may not be desirable or efficient that incumbent aspire to the optimum of each factor.)

Example

Below is an example of a completed factor (Technical Skills) and a short narrative discussing the meaning attached to the symbols.

WEIGHT

TECHNICAL SKILLS

This factor refers to the incumbent's grasp of the technical body of knowledge required to manage the functional area for which he/she is accountable.



In this example, TECHNICAL SKILLS was rated absolutely critical to job success with a weighting of 1. On the developmental continuum, the developmental gap is considerable, indicating a rather large training and development response is required to close the gap.

A checklist of specific skills has been listed under some of the factors, i.e., planning, organizing, etc., for your use in assessing developmental levels and as an aid in communicating specific developmental needs. You may wish to add or delete from these lists or develop your own lists.

ADDITIONAL FACTORS:

Space has been provided at the end of the form so that factors related to your specific situation can be added. When adding factors be sure that mutually agreed upon definitions of factors have been developed; this is necessary for accurate assessment of development level as well as communication of those assessments.

Figure B-18A

Connecticut Mutual Life Insurance Company (continued)

WEIGHT

Measuring and Controlling — Measuring and Controlling are two management functions which relate to the incumbent's ability to effectively collect and utilize performance information in order to work toward department goals. There are no universally accepted definitions which clearly differentiate these two functions so they have been combined and some of the activities involved in the total measuring-controlling process are listed.

- A. The identification of performance activities or functions to be measured.



- B. The planning, developing, and implementing of the means for collecting and analyzing performance information.



- C. The identification and establishment of performance standards, job related goals, rates of progress towards reaching these goals, and acceptable levels of deviations from goals.



- D. The positive steps the individual took in utilizing collected information to correct deviations from established plans, goals, objectives, and standards.

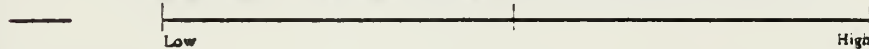


2. LEADERSHIP SKILLS

- A. This factor refers to the incumbent's skill in influencing subordinates to accomplish desired goals.



- B. This factor refers to the extent of the incumbent's involvement in activities outside his/her own area of specialization and the degree to which that involvement influences Company philosophy and policies.



3. TECHNICAL SKILLS

This factor refers to the incumbent's grasp of the technical body of knowledge required to manage the functional areas for which he/she is accountable.



Figure B-18B

1/

Instructions: Check only those items that are completely characteristic of a manager's work.

1. States facts accurately in reports.
2. Work is on schedule.
3. Is patient when training new employees.
4. Does not perceive entire impact of solutions to problems.
5. Gives employees recognition for achievements.
6. Gives subordinates clear and detailed instructions.
7. Allows subjective factors to affect perception of subordinates' abilities.
8. Criticizes subordinates in front of other employees.
9. Takes an interest in subordinates' personal problems.
- .
- .
- .
25. Exhibits a thorough knowledge of all phases of his or her work.

1/ This exhibit is a composite of checklist items found on company appraisal forms.

Figure B-19

1/

Instructions: Statements descriptive of managerial performance are grouped below in blocks of four. For each block of statements indicate which statement is most like and least like the manager being described. Place an "X" in the appropriate column bracket.

<u>Most</u>	<u>Least</u>	
()	()	Does not get the facts necessary for making decisions
()	()	Receives constructive criticism well
()	()	Can be promoted when the opportunity is present
()	()	Gives credit to others for work well done
()	()	Accepts the opinions of subordinates
()	()	Quickly analyzes a situation
()	()	Coordinates the activities of his or her department to facilitate work flow
()	()	Has minimal knowledge of other departments' work
()	()	Follows through even when the going gets tough
()	()	Expresses himself or herself clearly and convincingly
()	()	Is willing to make decisions
()	()	Knows how to present a report with all the facts
()	()	Always follows company policies and procedures
()	()	Has a well-organized approach to any problem
()	()	Can put the ideas across to others effectively
()	()	Can take constructive criticism without getting angry or upset
()	()	Meddles into other persons' affairs
()	()	Likes to make decisions
()	()	Is physically unable to meet demands of job
()	()	Gets along well with other employees
()	()	Irritated if a job has to be redone
()	()	Self-confident
()	()	Plans ahead carefully
()	()	One of the team
()	()	Does not work to limit of ability
()	()	Reads materials before filing them
()	()	Always complaining
()	()	Rarely needs prodding
()	()	Aggressive without causing resentment
()	()	Work is rarely interrupted by personal business
()	()	A very clear thinker
()	()	Not always punctual

1/ This exhibit is a composite of forced-choice statements found on company appraisal forms.

Figure B-20

INSTRUCTIONS FOR ALTERNATION RANKING ON PRESENT PERFORMANCE

Read these instructions all the way through before ranking anyone.

On the other side of this sheet is a list of employees. All of them may be performing satisfactorily, but some are almost certain to be doing a better job in their own assignment than are others in their assignment.

You may use your own judgment as to what makes one employee better than another. Many factors may be considered: dependability, ability to do the work, willingness to work, cooperation, ability to get along with people, and any others which you think are important. On making your decision, use your own personal knowledge of the individuals and their work. Do not depend on the opinions of others.

NOW PROCEED AS FOLLOWS:

A. First, eliminate those you cannot rank:

1. Look over the list of names on the other side of this page and draw a line through the name of any person whose work you do not know well.
2. Look over the list again and draw a line through the name of any person whose work in your opinion is so different from most of the others that you do not think he (or she) can be compared with them.

B. Second, proceed with your ranking:

1. Look over the list of remaining names and decide which one person you think is the best on the list. Draw a line through his name and write it in the blank space marked "1-Highest" at the top of the page.
2. Look over the remaining names and decide which one person is not as good as the others on the list. Draw a line through his name and write it in the blank space marked "1-Lowest" at the bottom of the page. Remember, you are not saying that he is unsatisfactory; you are merely saying that you consider the others better.
3. Next, select the person you think is best of those remaining on the list, draw a line through his name and write it in the blank space marked "2-Next Highest."
4. Next, select the person you think is not as good as the others remaining on the list, draw a line through his name and write it in the blank space marked "2-Next Lowest."
5. Continue this ranking procedure (selecting next highest, then next lowest) until you have drawn a line through each name on the list.

ALTERNATION RANKING REPORT (Present Performance)

CONFIDENTIAL

IMPORTANT: Before you begin read carefully the instructions on the back of this form. | DATE:

CLASSIFICATION OF GROUP BEING RANKED

DEPARTMENT

RANKER:

DO NOT WRITE
IN THIS SPACE

Figure B-21A

EMPLOYEES TO BE RANKED (DO NOT LIST MORE THAN 30)	EMP. NO.	1-HIGHEST	
		2-NEXT HIGHEST	
		3-NEXT HIGHEST	
		4-NEXT HIGHEST	
		5-NEXT HIGHEST	
		6-NEXT HIGHEST	
		7-NEXT HIGHEST	
		8-NEXT HIGHEST	
		9-NEXT HIGHEST	
		10-NEXT HIGHEST	
		11-NEXT HIGHEST	
		12-NEXT HIGHEST	
		13-NEXT HIGHEST	
		14-NEXT HIGHEST	
		15-NEXT HIGHEST	
		15-NEXT LOWEST	
		14-NEXT LOWEST	
		13-NEXT LOWEST	
		12-NEXT LOWEST	
		11-NEXT LOWEST	
		10-NEXT LOWEST	
		9-NEXT LOWEST	
		8-NEXT LOWEST	
		7-NEXT LOWEST	
		6-NEXT LOWEST	
		5-NEXT LOWEST	
		4-NEXT LOWEST	
		3-NEXT LOWEST	
		2-NEXT LOWEST	
		1-LOWEST	

Figure B-21B

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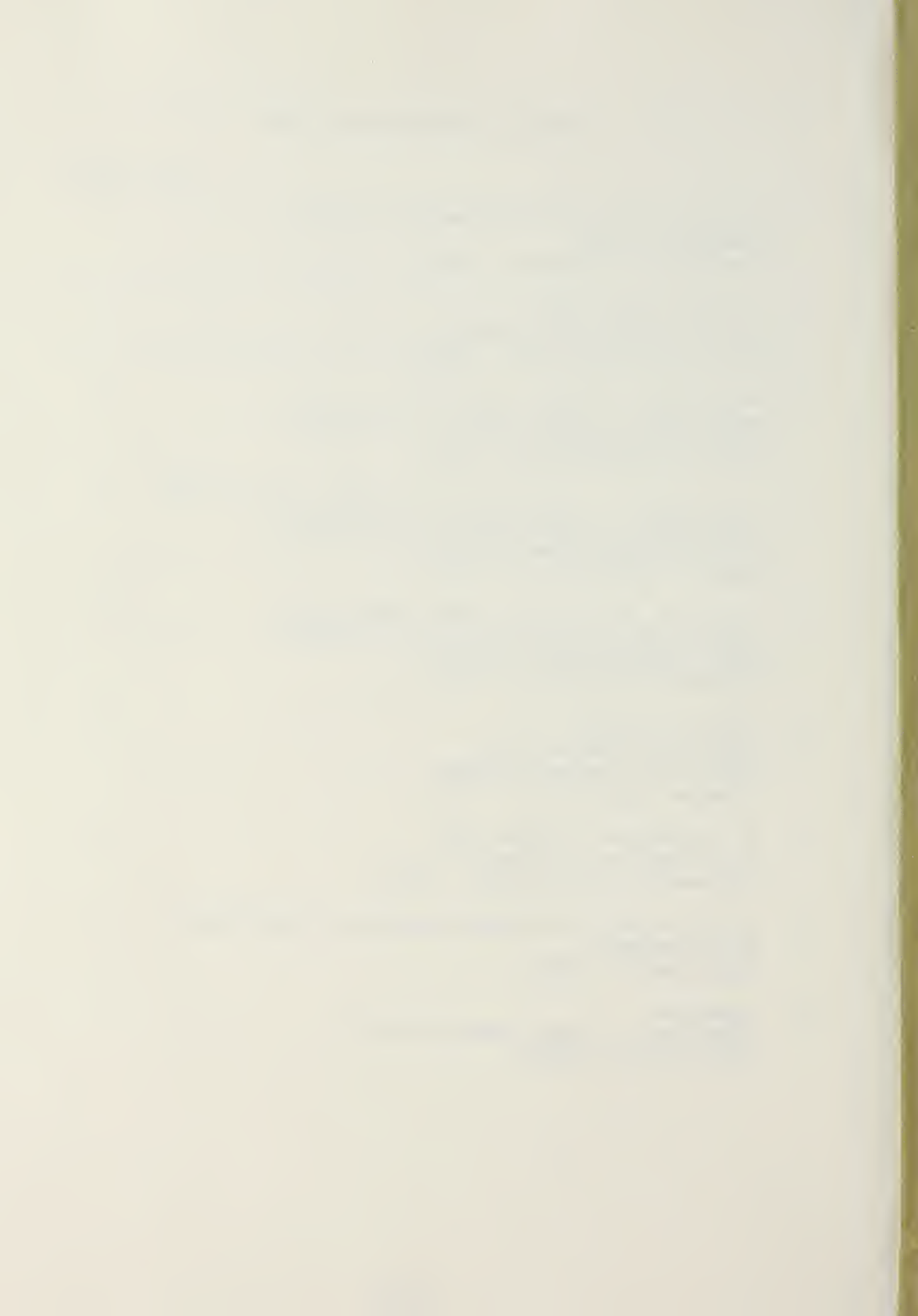
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